

# HRM in Vietnam; Evidence from a Study of Employee Turnover Intention in the Food and Beverage Sector

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## **Abstract**

The aim of the research was to contribute to our knowledge of contemporary HRM by evaluating the effectiveness of HRM in Vietnam. This was done by measuring and explaining employee turnover intention in the food and beverage (F&B) industry in Vietnam. The theory and model used integrates three different levels – individual, team and organization. The approach was mainly positivist, with a case study – XYZ Bakery Vietnam- in which a survey of 36 variables across the 3 levels – individual, team and organizational - provided data to describe and analyse the dependent variable (turnover intention). These variables were derived from the literature.

The pilot study of XYZ Bakery showed various factors at the three levels affecting employee turnover intention in the company, emphasizing most the organization level then the individual level as major influence of turnover intention. Additionally, there was evidence that the team factor has a relatively low level of connection to turnover intention.

For the main study, quantitative and qualitative data collection and statistical analysis conducted (correlations and path-analysis) to describe and analyse to turnover intention in the main study with two additional cases for triangulation verified these associations between different levels and turnover intention.

In conclusion, the paths to turnover intention in Vietnam was in some respects replicating what the literature on turnover intention showed, but also indicating that organisational and individual factors were more significant, and team factors less significant than other studies purport to be the case. Especially, a wide range of organizational factors (e.g. salary, communication, management support, work environment) predicted employee turnover either directly and indirectly. Yet, the predictability of turnover intention by organizational and individual factor was varied depending on the strength and quality of organisational factors.

The current study implied that measuring job satisfaction and organizational commitment could be an indicator for effective employee resource planning and highlighted the key motivation factors in HRM and importance of training and development in Vietnam HRM. However, there was no clear evidence of any immediate issue in employee / employer relations. Yet, since the HR market has been more competitive since Doi Moi (reform) policy in Vietnam, there should be continuous monitoring to improve overall relationships with employees.

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## ACADEMIC REGISTRY

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## **1.0. Introduction**

Vietnam has one of the fastest growing economies in the world with 5.5%-7% of annual GDP (since 2000) growth per annum. Even after the global financial crisis, Vietnam's economy recovered relatively faster than did others and, the economy is currently growing at around 5% a year, thus attracting much attention from foreign investors. In particular, since 2007, a large number of multinational companies began rushing into Vietnam under the WTO agreement that decreased the barriers to foreign capital being used to start businesses in the emerging market. (Towers-Watson, 2012)

However, not everything was as positive as are the economic indicators. Specifically, the human resource issue made it difficult for foreign investors to operate in Vietnam. For example, according to T&M (2016), the annual employee turnover reached 17.0% in 2015 for multinational corporations in Vietnam, which has been gradually increasing in recent years. The study pointed out that this one of the most difficult issues for foreign-invested businesses in Vietnam. More specifically, employee turnover in the hospitality sector was higher than it was other industries, accounting for 60% to 300% of annual turnover (Jones, 2008) or almost \$10,000 per operational staffs according to a study conducted in Australia (Davidson et al., 2010).

The current trend in employee turnover in the Vietnamese Food and Beverage (F&B) sector confirmed the challenging HR issues concerning employee turnover. During a personal communication in 2015 with the former CEO (Mr. Nguyen) of a leading global coffee chain in Vietnam, the company recorded over 50% of voluntary turnover every year, and one of the most challenging management issues was to ensure the effectiveness and efficiency of its operations.

As a matter of fact, XYZ Bakery (the first and main case company for this study), a leading global bakery chain in Vietnam, had more than 100% employee turnover annually, according to the HR manager; therefore, the real amount of employee turnover was quite high and caused serious strategic issues for the Vietnamese F&B sector.

One fundamental issue in Vietnamese HRM has been the low quality of general education. Although relatively high numbers of Vietnamese finished upper secondary school (94% in 2015 according to General Statistics Office of Vietnam), employers often provided training to entry level employees, even for university graduates due to public education not producing employable people.

The importance of dealing with employee turnover was widely discussed in previous research and the explicit cost was estimated at around \$267 per person (Kaak et al., 1998); however, the actual cost could be significantly higher due to lower productivity and lost sales, and could cost up to \$5,000 per person according to the National Restaurant Association (Gustafson, 2002). Furthermore, Branham (2005) added the cost of disengaged employees before they left their jobs. For these reasons, the cost of turnover to a single hospitality business may be \$37,000 annually (Kaak et al., 1998) and \$5 trillion nationwide (Frank et al., 2004). Accordingly, identifying the reasons for employee turnover in the F&B industry is a critical and strategic issue for long-term business success.

This sets the context for the importance of HRM to sustain competitive advantage since human resource was one of the key resources for long-term success (Allen and Wright, 2006). As the F&B sector rely on human resource for value creating activities it's a good sector to evaluate effectiveness of HRM system in challenging labour market in Vietnam as a whole.

Previous research to understand factors influencing employee turnover intentions were mostly irrelevant to Vietnamese F&B context e.g. Robinson et al. (2014) and Qiu et al. (2014). Furthermore, the scope of studies was often limited to few factors e.g. Vasquez (2014) and Moncarz et al. (2009).

Ren et al. (2014) pointed out limitations in the previous research in Vietnam HRM sector and the literature focused on Vietnam HRM, which were not focused on employee turnover issue nor the F&B sector (Zhu and Verstraeten, 2013), but mostly studied how the recent political and social changes affected HRM practices (Zhu and Verstraeten, 2013).

To understand reasons behind turnover issues, a conceptual framework was developed, and a research design for exploring the association between variables was established. These variables came from the existing literature, mainly developed in Western countries, so the research design also had to open for identifying Vietnamese context themes but including interviews and exploring case studies.

The current research aimed to evaluate the effectiveness of HRM in Vietnam by exploring turnover intention in the food and beverage (F&B) industry in Vietnam with variables at three different levels – individual, team and organizational. To achieve the aim, the current study attempted to answer the following questions:

- What are the variables that predict employee turnover in Vietnam F&B Sector?
- How are the variables associated to predict the employee turnover?
- What does the study of turnover intention show us about the effectiveness of HRM in Vietnam F&B Sector?

To answer the research questions, the research set four objectives as following:

- To identify the levels and causes of employees' turnover intention in case study companies in the food and beverage industry in Vietnam.
- To analyse the paths among individual, team and organizational level that shape employees' turnover intentions in the food and beverage industry in Vietnam.
- To explore the personal experiences of employees and better understand their turnover intentions and experiences of HRM in the case study companies
- To generalise from the cases and the sector to identify themes and concerns in the future for HRM in Vietnam

To achieve the four objectives, the current research analysed different levels and factors that influence employee turnover with developing a path model to understand how different levels and factors were interrelated. Also, the research collected qualitative data to triangulate reasons for the causations and paths to give implications HRM effectiveness in Vietnam F&B sector.

A pilot study was developed in preparation for the main study. The pilot study was used primarily to evaluate reliability of the questionnaire and develop a preliminary theory. In the main study the descriptive statistics and hypothesis tests were provided. Interview data was collected to triangulate the correlations being identified from the survey. Furthermore, two additional case studies were conducted for triangulation to validate the main study. Together these enabled confidence in the associations among variables being found, and the generalization of these to evaluating HRM in Vietnamese context.

## **2.0. Literature review**

### **2.1. Doi Moi (reform) and socio-economic change in Vietnam**

#### ***2.1.1. Overview of Doi Moi***

In 1975, after years of war, Vietnam was reunified as a socialist country under a centrally controlled economy. Nonetheless, the legacy of the Soviet Union model was some serious socio-economic issues; including poverty, trade deficits, insufficient consumer goods, medical services (Thang, 2001). Other neighbouring economies were performing better as a result of globalisation (Lloyd, 2003). Moreover, the downturn of the Soviet Union's economy affected Vietnam directly, as the Soviet Union had been Vietnam's main political and economic ally (Tuan, 2012). As Vietnam was diplomatically isolated by the U.S. and China, there was increasing pressure on the Vietnamese Communist Party (VCP) (Tuan, 2012).

After a decade of economic downturn, in 1986, the VCP finally decided to make a dramatic change in the economic system, namely the 'Doi Moi' (reform) policy. The reform aimed to transform the centrally planned economic system into a socialist market economy, and included three main changes:

1. Greater autonomy in state-owned enterprises (SOEs) and the elimination of price control and state subsidiaries,
2. Encouraging private sectors, and
3. Inviting more direct foreign investment (FDI) (Tuyen, 1999, Thang, 2001).

In this section, the impact of Doi Moi was briefly reviewed from a socio-economic perspective.

#### ***2.1.2. Economic growth***

As the main aim of Doi Moi was the reform of the economic system, there was a dramatic change in Vietnam's economic performance. Before Doi Moi, the average GDP per capita growth in Vietnam was only 1.4% and 2.9% in the 1960s and 1970s, respectively' (Glewwe, 2004). After Doi Moi, the GDP started growing exceptionally, from 5% to 10% during the 1980s and 1990s, respectively (Schaumburg-Müller, 2005). During the 2000s, the GDP



exceeded that of other countries (such as Malaysia, Philippine and Thailand) by 7% per annum (Schaumburg-Müller, 2005).

This strong economic growth was based on the rapid industrialisation that took place in the last three decades. Before Doi Moi, 75% of Vietnamese labourers worked in the agricultural sector (Tran, 2013) and contributed almost half of the total GDP in 1988, according to the General Statistics Office of Vietnam (GSO). After the reform, the labour participation in agriculture has been gradually decreasing to 46% of the total labour force and contributed only 18% of the total GDP by 2013, while the contribution by industry and construction and the service industry to the GDP increased to 38% and 43% in 2013 (from 28% and 33% in 1986), respectively (GSO). In particular, accommodation and food service activities have had a significant impact, as their contributions have doubled since 2005, from 1.9% to 4% in 2013, according to the General Statistics Office of Vietnam.

The open policy regarding the global market also affected the FDI and international trade. After Vietnam was allowed to join WTO in 2007, FDI inflow increased dramatically to USD 71 billion (registered) from 1.6 billion in 1988 (GSO). The contribution of foreign-invested sector to the GDP increased from 15% in 2005 to 20% in 2013, and labour participation in the foreign-invested sector increased to 3.4% in 2013 from having been only 1% in 2000 (GSO). As more FDI flowed into Vietnam, more foreign F&B Service brands started coming to Vietnam as McDonald's, Dunkin Donut, KFC, Burger King, and etc. that causes higher level of competition.

In 1990, the value of international trade in Vietnam (including export and import) was only USD 5.2 billion, but it has increased sharply over the last twenty years to USD 327 billion (GSO) - equivalent to approximately 170% of the GDP in 2015.

Despite the FDI and international trade's economic contributions, the non-state private sector did not really gain its portion from the Doi Moi policy in terms of labour participation and GDP contribution. For example, in 2002, the Communist Party Vietnam (CPV) introduced a new law for small to medium enterprises (SMEs) to boost the private sector (Decree 91/2001), and the number of SMEs increased for the next few years (Hakkala and Kokko, 2007). However, the impact of the new SME law might have just been an increased number resulting from the legalisation of the underground economy or might be caused by the interpretation of unreliable data (Hakkala and Kokko, 2007). In addition, the labour contribution of the non-state sector in

2013 has even decreased slightly (by 1% since 2000), and the GDP contribution by the non-state sector in 2013 has only increased by 1% since 2005 (GSO).

The weak growth of the non-state sector could be explained by the heavy reliance on and favourable treatment of the state sector (Hakkala and Kokko, 2007). In fact, the state sector continues to generate a significant portion of Vietnam's GDP, accounting for 32% of the total GDP in 2013 (GSO).

The controversy surrounding the SOEs' dominance in the economy stemmed from the inefficient use of favourable treatment; for example, SOEs charged five times more to generate one job than did FDIs and eight times more than did private local businesses (Hakkala and Kokko, 2007). Furthermore, almost half of the SOEs were not profitable, which created a higher number of non-performing loans in the banking sector (Leung and Riedel, 2001). Moreover, Vietnam is a highly corrupt country (119<sup>th</sup> of 175 countries, according to the 2014 Corruption Perceptions Index) and there were high administration costs for private businesses wishing to compete with SOEs in the corrupt institutional environment (Hakkala and Kokko, 2007).

In recent years, there has been increasing awareness of the low productivity of SOEs and of the increasing public debt to GDP ratio (from 37.9% in 2012 to 54.9% in 2014). Thus, the CPV has been trying to reform the banking sector (VNS, 2015) and to privatise more SOEs (VNS, 2014) to increase the efficiency of the socialist market economy.

The high participation of SOEs with relatively low productivity under higher level of competition in F&B sector increased awareness of more productive management, yet also the high compensation gap would bring motivation issues to F&B sector in Vietnam.

### ***2.1.3. Social Change***

The first direct impact of economic improvement on the society was the reduction of poverty. GSO statistics show the poverty rate has decreased dramatically over the last two decades, from 58.1 % in 1993 (Kang and Imai, 2012) to 9.8% in 2013. As more people escaped from poverty, the pattern of food consumption changed as more people started to consume protein sources (such as meat and fish), and ate less rice (Thang and Popkin, 2004). Not only the degree of poverty, but also the general quality of human lives improved, according to the Human

Development Index (HDI). In 1980s, Vietnam scored 0.463 for the overall HDI, but this score increased to 0.638 in 2013.

However, social improvement was not distributed equally after the Doi Moi reform. For instance, although there was dramatic decrease in the poverty level, ethnic minorities in the central area remained poor – 16% to 22% below the poverty level compared to 9.8% nationwide in 2013 (GSO) - and these poor income groups still relied more on rice than do the wealthier groups (Thang and Popkin, 2004).

In fact the inequality in Vietnam was revealed to have increased from 33 in 1993, based on the Gini Coefficient. Fritzen (2002) projected that the trend towards a high degree of inequality could increase to 43 by 2013. Although the latest Gini Coefficient in 2012 showed moderate improvement (35.6), inequality was still considered to be an emerging social issue caused by the economic reform (Kang & Imai, 2012, Nguyen et al., 2007).

On state level, there has been a consistent increase in the minimum wage to improve the quality of life of the low-income class. Since 1993, the nominal monthly minimum wage in Vietnam has increased from VND 120,000 to VND 650,000, and it would reach VND 3.5 million (\$162.2) in 2016 as a result of the Vietnam National Wage Council's decision (Tuoi Tre, 2015). Nonetheless, 3-6.8% of labourers were still not protected by the minimum wage law, and this number was higher (6.5% to 6.8) in the informal sectors during 2004 – 2006 (Nguyen, 2010). In addition, the negative impact of raising the minimum wage was a dispute between employers and employees, although there was little evidence that the higher minimum wage increased the unemployment rate (Nguyen, 2010).

In addition, there have been some changes to women's roles and gender equality after Doi Moi. Under the communist regime, gender equality was one of the important items on the agenda to spread communism; thus, there was a consistent effort to equalise gender roles before Doi Moi (Knodel et al., 2004). Since the Doi Moi reform, there has been less political involvement in family roles, while changing economic structures and the growing imbalance in income have caused a resurgence in Confucian values back to the gender role (Knodel et al., 2004, Long et al., 2000). For instance, under the new socialist market economy, significant numbers of jobs reserved for women disappeared from the state sector, but women found it relatively more difficult to get jobs in the non-state sector (Tuyen, 1999). Even if women found jobs, there was a pay gap between the genders – women's salaries were 88% of men's salaries,

which caused disparity in domestic decision-making power and caused problems with gender roles (Tuyen, 1999, Long et al., 2000).

However, the other studies showed that the gender pay gap has gradually decreased in recent years (Pham and Reilly, 2007) and an increasing number of younger women have started to demand relationships that were more egalitarian as their economic and political participation and contributions have increased (Long et al., 2000).

As Vietnam became more industrialised and modern, urbanisation has become another trend following the introduction of Doi Moi. According to Zhang et al. (2006), there were two major factors behind this rapid urbanisation, namely a surplus of labour for higher productivity in agriculture in rural areas and state land reform that allowed people to own property in other regions. In particular, concentration in the two major cities – Ho Chi Minh City (HCMC) and Hanoi - was a noticeable trend. In 1989, approximately 1.5% and 4.6% of the population lived in Hanoi and in Ho Chi Minh City, respectively (World Bank, Drakakis-Smith & Dixon, 1997), while these figures rose to 8% and 9%, respectively, in 2013. It was interesting that the overall growth in the population size stagnated in recent years with a 7% increase since 2010, but the urban population was still growing sharply, with a 20% increase since 2010 (World Bank).

Despite the improved economic performance after Doi Moi, rapid urbanisation caused some other social issues. For example, since the cost of living in HCMC was higher, the poverty datum line was significantly higher (over 60%) than it was in rural areas, and has caused urban poverty (Drakakis-Smith and Dixon, 1997). Moreover, the rapid growth did not allow the state to plan effectively for other public issues such as public water, pollution and housing. In the rural areas, since increasing numbers of young people have left for the big cities, care of the elderly was a potential issue as there was very little government support for elders (Barbieri, 2006).

As urbanisation has increased, the public scene in HCMC and Hanoi has also changed. Before Doi Moi, public space used to be under the tight control of the communist government for political reasons (Drummond, 2000). However, the economic reform has changed public places into venues for non-political activities such as commerce (street vendors), and for various events and leisure activities (Drummond, 2000, Thomas, 2002).

#### **2.1.4. Conclusion:**

Over the last three decades, Vietnam has transformed from being a starving communist country into one of the fastest growing, most dynamic economies and societies in the world. This rapid change may have various strategic implications for business owners. In terms of human resource management, the growing income, the influx of FDIs, higher living standards and changing gender roles could challenge methods of sourcing employee, training and development and performance management, as well as employer/employee relationships. In the next section, literature on effective HRM and Vietnam was reviewed to illustrate these concerns.

## **2.2. Effective Human Resource Management (HRM)**

Human Resource Management (HRM) has been viewed as an important success factor for businesses ever since the very early studies of management by Taylor (1914) and Fayol (1916). Specifically, HRM was seen as a source of competitive advantage (Pfeffer, 1998). Ivancevich and Lee (2002) emphasised that effective HRM contributed to organisational effectiveness and to achieving goals via staffing, training and development, performance management, employee relations, HR planning and compensation.

In this section, the importance of HRM at the strategic management level will be reviewed briefly with reference to previous studies and some key findings of effective HRM practices will be discussed.

### **2.2.1. Strategic HRM**

Wright and McMahan (1992) defined strategic human resource (HR) management as “the pattern of planned human resource deployments and activities to enable an organisation to achieve its goal (page 298)”. The article highlighted vertical and horizontal connections to the higher levels of strategic processes and the same level of HR practices (Wright and McMahan, 1992).

With regard to the vertical alignment, Devanna et al. (1981) study showed how HR function supported medium to long-term managerial and strategic goals, and a similar vertical relationship was emphasised by DeCenzo et al. (2013). DeCenzo et al. (2013) pointed out that

effective HR practices helped organisations to create competitive advantages that support organisational strategy by building talented workforces that are difficult to imitate.

The importance of HR in business strategy was also mentioned by Mintzberg et al. (2001), in that developing effective strategies is a matter of how quickly people learn (that is, the Learning School of Strategy) from complex environments. Accordingly, this work implied that managing people to gain more knowledge was critical for businesses' success.

### ***2.2.2. Resource-based View (RBV) of HRM***

Among the most dominant studies that explained how HRM contributed to sustainable business were the studies based on the resource-based view (RBV) following the dominance of Porter's strategic framework during the 1980s (Allen and Wright, 2006).

One of the most pioneering works that defined the resource-based view of strategic management was that by Barney (1991). Barney (1991) highlighted the four main elements that create sustainable competitive advantages, namely value, rareness, imperfect imitability and substitutability. This study added the view of internal view of business success by emphasising how people can be seen as a key success factor for organisational success. For example, Hitt et al. (2001) confirmed that investing in human capital contributed to higher organisational performance, while the importance of knowledge created by human capital was also stated by Grant (1996).

Although Priem and Butler (2001) offered the criticism that RBV could not be considered to be a testable theory and has limitations in terms of explain superior performance, the importance of human resource in the strategic management context was widely agreed upon in other studies, such as the work of Allen and Wright (2006).

### ***2.2.3. HRM Best Practices***

A wide range of HRM practices that improve organisational performance were identified, including increased profit (e.g. Huselid and Becker, 1996, Delery and Doty, 1996) and quality (e.g. MacDuffie, 1995). DeCenzo et al. (2013) divided the various HR practices into four categories, namely staffing, training and development, motivation and maintenance, and these four main functions have also been confirmed by other studies.

For example, selective hiring based on job design, attitude and behaviour improve organisational performance (Ahmad and Schroeder, 2003) and similar evidence was found by Katou and Budhwar (2006). In addition, overall individual performance issues caused by poor training were studied by Ukandu and Ukpere (2013). In particular, Poulston (2006) highlighted that the lack of proper training caused various organisational performance issues, such as understaffing, unfair dismissal, sexual harassment, poor food hygiene and theft at work.

With regard to motivational factors, Jurgensen (1978) identified the key motivational elements as job security, advancement, the type of work and the company. This study confirmed that preferences for motivational factors were influenced by gender. Furthermore, this study showed that pay might not be the most important motivational factor, although Campbell (1993) confirmed that higher wages than the market equilibrium resulted in higher productivity and lower employee turnover, and the importance of financial compensation was highlighted by Chiu et al. (2002). Specifically, Chiu et al. (2002) concluded that different socioeconomic factors resulted in different priorities in terms of the motivational factors in different countries.

Moreover, as part of the maintenance defined by DeCenzo et al. (2013), Ashton and Sung (2002) showed how effective communication and the sharing firm's values (such as the importance of quality, customers and innovation) could create better organisational performance. In addition, implementing more effective vertical communication via newsletters and regional visits from the directors were pointed out in this study (Ashton and Sung, 2002). The effectiveness of vertical communication was also confirmed by Browne (2000) and Richard and Johnson (2004). Furthermore, a maintaining positive relationship with labour unions (via better socialisation activities such as a study tour) has been proven to be an effective HR practice in the manufacturing sector (Ashton and Sung, 2002).

## **2.3. Human Resource Management in Vietnam**

As discussed in the previous section, Vietnam has been a rapidly developing economy and has experienced changes in its society since the introduction of the ‘Doi Moi’ (reform) policy in 1986. Accordingly, there has been increased academic attention on understanding the economic and social changes in Vietnam. The challenges and opportunities for the current study were that there has not been specific research that covers the current research topic, the reasons for employee turnover, thus far; therefore, there was a research gap. General studies of HRM in Vietnam did exist, although these were somewhat limited in their quantity and scope.

This limited research on Vietnam can be categorised according to general HRM functions such as staffing, training development, motivation and maintenance (DeCenzo et al., 2013). In addition, there was existing literature that aids the understanding of HRM in this context via considerations such as variations in ownership, cross-cultural differences and the impact on performance. This section summarised the literature on HRM in Vietnam using these categories for the functions and considerations.

### ***2.3.1. Employee Resources***

According to Truong et al. (2010), staffing was one of the weakest HRM area of firms in Vietnam. For instance, although Vietnamese managers believed that recruitment was the most important concern for HRM, the level of awareness was relatively low and the staffing process has not been formalised; nor have external alternatives been fully exploited (Truong et al., 2010). In fact, the staffing issue was actually witnessed in British Petroleum (BP) in Vietnam (Truong et al., 2010).

A wide range of staffing activities was explored in various literature. Various selection tools were used regardless of the ownership type (Bartram et al., 2009). The most commonly adopted tools were interviews, CVs and try-outs (Zhu and Verstraeten, 2013). The common use of interviews was confirmed by Kamoche (2001), while the importance of employee referral and the importance of the relationship in the selection process were added.

There appeared to different preferences in staffing tools depending on ownership variations, particularly in state-owned enterprises (SOEs). In fact, it was the one of the most



frequently highlighted research concerns because the contribution by state-owned businesses in Vietnam was relatively high, accounting for 32% of the GDP in 2013 (GSO, 2015).

However, the preferences for the various forms of ownership showed somewhat mixed findings instead of agreement on differences. For example, Kamoche (2001) concluded there were no remarkable differences between state-owned enterprises (SOEs) and multi-national companies (MNCs). The reason for the similarity was the pressure to adapt local practices, which caused MNCs to adopt the local practices (Kamoche, 2001).

However, later studies had different views from those of Kamoche (2001). For instance, Zhu and Verstraeten (2013) indicated that interviews were preferred more often in foreign-owned enterprises (FOEs) and joint ventures (JVs) than they were in SOEs, while SEOs used try-outs more frequently than did other forms of ownership. The SEOs' preference for try-outs was confirmed by Thang and Quang (2005b). In addition, the preference for role playing and testing in SOEs was noticeably less than it was in FOEs (Zhu and Verstraeten, 2013, Thang and Quang, 2005b). Thang and Quang (2005b) added that FOEs and equitized firms (EQCs) tended to adopt recruitment methods (placement agencies, professional headhunting firms and the like) that were more extensive than were those of SOEs and local private companies (LPCs), although there was a conflicting finding in selection methods from Bartram et al. (2009).

### ***2.3.2. Training and development***

Training and development was considered to be one of the main roles of HRM, both in general and in Vietnam (Nguyen et al., 2013a). A number of studies in the literature have pointed out the importance and challenges of training and development in Vietnam. Overall, basic access to education in Vietnam (93% literacy rate, 95.5% net primary school enrolment and 82.6 % net secondary school enrolment (UNFPA, 2011)) was high compared to other Southeast Asian countries and this could be seen as an advantage for more FDIs to Vietnam. However, with regard to higher education, only 6.7% of the entire population had access to college education and 9.6% to university education (UNFPA, 2011), while two-thirds of the total labour force were considered to be 'unskilled' (Ketels et al., 2010; as cited in Montague, 2013). The insufficient skilled labour was also experienced by Chinese firms in Vietnam (Cooke and Lin, 2012).

In addition, the quality of the public education was generally in question (Thang and Quang, 2007, Warner, 2013), as 78% of firms need to retrain their employees (Ketels et al., 2010; as cited in Montague, 2013). For this reason, there was a high degree of investment in training and development (Vo and Hannif, 2012) in both SEOs and in other kinds of private enterprises (Warner, 2013), as well as across different job categories such as IT, tourism, and banking and finance (Warner, 2013, Montague, 2013). However, there has been a problem with weak training and development programmes (Truong et al., 2010) and unbalanced training opportunities. Most training was given to managerial levels to the detriment of others (Zhu and Verstraeten, 2013, Kamoche, 2001). Cox and Warner (2013) and Vo and Hannif (2012) pointed out that firms in Vietnam were unwilling to invest in training and development due to the high level of turnover and this was considered one of the most challenging HRM issues (Bartram et al., 2009). This situation was one of the motivators for self-development at the managerial level (Ren et al., 2014).

There were two general categories of training practices, namely on-site and off-site training programmes (Thang and Quang, 2005b). The majority of the findings confirmed that on-site training programmes were most commonly adopted (Truong et al., 2010, Thang and Quang, 2005a) and included video presentations, on-the-job training, lectures (Thang and Quang, 2005b) and orientation (Thang and Quang, 2005b, Bartram et al., 2009). In particular, the on-the-job training method was widely adopted regardless of the nature of business ownership (Kamoche, 2001). The similarities between the ownerships could be caused by the effect of the host country, since FOEs in Vietnam had to develop localised training programmes due to cultural differences (Cox and Warner, 2013, Vo and Hannif, 2012).

On the other hand, (Thang and Quang, 2005b) found that off-the-job training methods were more likely to be used by FOEs than by SOEs, particularly with regard to overseas training, although the general acceptance of off-the-job training was low for any ownership type. LPCs were even less likely to provide such types of training programmes than were SOEs and EQCs (Thang and Quang, 2005b). The FOEs' high level of investment in off-the-job training was also mentioned previously by Kamoche (2001) with regard to management development by providing overseas MBA programmes, for example. The reason for a higher level of investment by FOEs in off-the-job training might be related to their long-term experience of training and development

philosophies (Nguyen et al., 2013a) and a lack of modern leadership skills (Warner, 2013, Cox et al., 2013).

In addition, since Vietnam has been an emerging FDI destination, there have been concerns about cross-cultural training issues. According to Wang and Tran (2012), cross-cultural training programmes helped expatriates to adapt Vietnam's working environment more effectively that increased job performance. The effect of cross-cultural training could be understood based on the effect of the level of emotional intelligence (EQ) and cultural intelligence (CQ), as explained by Lee et al. (2014a), who found that EQ and CQ increased the cultural adaptation of expatriates in Vietnam.

### ***2.3.3. Performance Management and Motivation***

According to Bartram et al. (2009) and Truong et al. (2010), there has been an increasing awareness of employee turnover and motivation issues. Although no specific study has focused on turnover issues, training was considered to be one of the main reasons for turnover in Cox and Warner (2013) and Vo and Hannif (2012)'s studies. Vo and Hannif (2012) added that the shortage of skilled labour encouraged employee poaching by firms, which eventually resulted in turnover.

Some other studies investigated employee satisfaction and commitment instead of direct turnover issues. It is interesting that non-financial motivational factors led to higher levels of commitment, including the relationship with managers and co-workers, and the general working environment (Nguyen et al., 2014, Mai and Phan, 2014, Kim et al., 2012). The effect of compensation on commitment was also considered as a commitment factor in other studies, such as those by Mai and Phan (2014) and Nguyen (2011). Nguyen (2011) also added other organisational characteristics that increased job satisfaction, such as organisational purpose, structure, leadership and so on.

In the cross-cultural context, compensation and long-term career perspectives (tenure and promotion) were reasons for a higher level of commitment to their parent companies, but relationship factors were not mentioned (Nguyen et al., 2013b).

Since motivating employees affected organisational effectiveness directly in terms of turnover, commitment and job satisfaction, various methods have been implemented in Vietnam based on job design, performance appraisals, compensation and rewards, and employee benefits.

With regard to job design, there was limited evidence that flexibility was fully utilised as a common motivator due to the different macro-environments, including legal constraints and preference in personal commitment (Zhu, 2005). Furthermore, the different work-life values in Vietnam (such as resistance to working overtime and the prioritisation of family life) have influenced HRM operations (Cooke and Lin, 2012).

In terms of performance appraisal and compensation, goal- and objective-based performance evaluations and competency-based monetary rewards were commonly practiced (Zhu and Verstraeten, 2013, Zhu, 2002, Kamoche, 2001), but less so by SOEs (Kamoche, 2001). These formal approaches were generally favoured over informal approaches by Vietnamese employees (Vo and Stanton, 2011). To address the skilled labour shortage and the expatriate adaptation issues in Vietnam, appropriate expatriate packages were provided by in Chinese firms in Vietnam (Cooke and Lin, 2012).

In addition, an increasing number of Vietnamese employees expected more democratic management styles and the provision of feedback, and these were important considerations in performance appraisals (Cox et al., 2013, Truong et al., 2010, Thang et al., 2007).

#### ***2.3.4. Employer/employee relationships***

An increasing number of labour was reported in recent years (Van Gramberg et al., 2013, Cooke and Lin, 2012), forcing organisations to consider ways of maintaining good Employer/employee relationships in Vietnam. Various causes of labour strikes were reported by Van Gramberg et al. (2013), including breaches of the labour code (such as delays or non-payment of wages and illegal layoffs) and the demand for higher than the minimum wages due to recent high levels of inflation.

Following the Vietnam Labour Code would be the basic means of maintaining good labour relations but, in reality, the Labour Code was generally considered to be impractical (Zhu,

2002, Kamoche, 2001) and too strict (Cooke and Lin, 2012), or was ignored (Do, 2013, Truong et al., 2010).

However, an increasing number of FOEs started to implement new initiatives to develop better labour relations because the cost of the strikes was significant (Do, 2013). For instance, companies encouraged increased participation by employees through their roles as team leaders, unions or elected employee representatives (Do, 2013).

There has been limited research on the health and safety of employees, although the topic was mentioned briefly as an emerging issue in Truong et al. (2010) and (Bartram et al., 2009) studies.

### ***2.3.5. Conclusions: The Nature and Effectiveness of HRM Practices***

The literature on HRM suggested that there was clear evidence that implementing HRM practices (such as written criteria for hiring, training and performance appraisals) increased organisational performance in areas such as job performance (Thang and Quang, 2005b, Thang and Quang, 2005a, Nguyen and Bryant, 2004) and turnover. Luu and Rowley (2015) also concluded that value-based HRM practices eventually increased self-empowerment and organisational benefits. Nonetheless, in Vietnam, it seemed that the HRM agenda was still basic and focuses on ensuring that coherent, effective policies and practices were in place to manage employee resourcing, training and development, performance management and employment relations. This formed a part of the context in and the background against which turnover can be understood and studied. It might be expected that the need to improve employee resourcing, training, performance management and employment relations could be a factor causing high turnover, and that the aspects mentioned above might be changed and improved to reduce turnover.

## **2.4. Study of Employee Turnover**

### ***2.4.1. Impact of Employee Turnover***

Maertz and Campion (1998) defined ‘voluntary turnover’ as “instances wherein management agrees that the employee had the physical opportunity to continue employment with the company at the time of termination (page 50)”; this term is commonly agreed upon in a wide range of studies, although the definition might not be applicable to some studies of employee turnover.

The impact of employee turnover on organisations has been discussed widely in the existing literature, and employee turnover has been proved to have a negative effect on organisational performance almost universally. Various measures were used to examine how organisational performance was influenced by employee turnover, including sales growth (e.g. Batt, 2002), return on equity (e.g. Hambrick and Cannella Jr, 1993), quality of customer service (e.g. Hausknecht et al., 2009, Michele Kacmar et al., 2006) and profitability (e.g. Koslowsky and Locke, 1989, Michele Kacmar et al., 2006, McElroy et al., 2001). Although some studies rejected the significant impact of employee turnover on organisational performance (e.g. Koys, 2001, Koslowsky and Locke, 1989), most of the previous studies agreed on the negative relationship between employee turnover and organisational performance (e.g. Morrow and McElroy, 2007, Shen and Cannella Jr, 2002).

In addition to the linear negative relationship, De Winne et al. (2018) concluded that employee turnover and organisational performance tended to have a non-linear relationship (inverse U-shape) that moderated the impact of the level of employee turnover, as employee turnover can increase productivity due to highly motivated new employees and better creativity and innovation; this was also confirmed by Shaw (2011) and Glebbeek and Bax (2004). Nonetheless, the impact of a high level of turnover was generally agreed to be a negative sign of organisational effectiveness in the previous literature.

### ***2.4.2. Reasons for Employee Turnover***

Studies of employee turnover began in the early twentieth century and included work by Bills (1925) and Slichter (1919); still more scientific studies were conducted by Schuh (1967) in order to understand the predictability of employee selection text for employee turnover. Schuh

(1967) reviewed a wide range of factors to assess the predictability of employee turnover, and similar studies were conducted by other researchers, such as Cascio (1976) and Buel (1964).

In addition, Weitz and Nuckols (1955) attempted to identify the relationship between job dissatisfaction and job survival and, in a later work, Weitz (1956) studied the relationship between job expectancy and the survival rate related to involuntary turnover. The two studies prompted other researchers to conduct further studies to increase the understanding of job satisfaction factors (Karp and Nickson Jr, 1973) and job expectation (Farr et al., 1973) related to employee turnover.

However, the ground-breaking employee turnover model was introduced by two scholars, Mobley (1977) and Price and Mueller (1981). Mobley (1977) initially developed a simple model to explain how employee turnover decisions progressed through multiple stages of decisions, ranging from evaluation of existing job to quitting the job. The job search process mentioned in Mobley's initial model was further explained in detail by Steel (2002). Mobley later developed a significant conceptual model that included organisational, individual and economic-labour market factors that passed through other intermediate factors influencing employee turnover (Mobley et al., 1979). Mobley focused on the process of employee turnover decisions, while Price and Mueller (1981) and Price (2001) research expanded the turnover determinants to wider areas such as kinship responsibility and professionalism.

In later studies, a new insight was introduced by Lee and Mitchell (1994), who stated that employees' turnover decisions can be explained by multiple paths as according to the unfolding model; this model was later confirmed by Lee et al. (1996) in a qualitative study, the findings of which revealed that most of the reasons that people quit their jobs could be explained by one of the four paths.

In a more recent study, Mitchell et al. (2001) introduced a new model called job embeddedness theory, which explained why people stayed in their jobs. Mitchell (2001, p. 7) argued that people with high levels of "fit", "link" and "sacrifice" would stay in their jobs longer, which impacted on employee turnover; this concept was confirmed by other researchers such as Robinson et al. (2014) and expanded into a new construct of job embeddedness with family embeddedness (Ramesh and Gelfand, 2010).

### ***2.4.3. Employee Turnover Intention***

Tett and Meyer (1993) defined ‘turnover intention’ as “the conscious and deliberate wilfulness to leave the organisation (page 262)”. How human behaviour can be predicted by intention was explained by Ajzen (1985), who believed that behaviour could be predicted accurately if there were sufficient controls over the behaviours. Accordingly, turnover intention was mentioned as “the best predictor of turnover” (Mobley et al., 1979, page 517) and has been measured widely in various turnover studies (e.g. Mobley, 1977, Mobley et al., 1979, Tett and Meyer, 1993, Lam et al., 2002, Loi et al., 2006).

## **2.5. Employee Retention and Turnover in the Food and Beverage Service Industry**

Numerous studies have been published in an attempt to understand the reasons behind employee turnover and retention issues. Since the current study focused on the food and beverage (F&B) industry, the relevant sectors were reviewed based on different geographical perspectives.

### ***2.5.1. Employee Turnover in the Hospitality Industry (studies conducted outside of Southeast Asia)***

A wide range of studies was conducted in the hospitality industry to understand the causes of employee turnover. In this section, recent literature was reviewed to understand the common factors predicting employees’ behaviour with regard to turnover decisions.

#### **2.5.1.1. Compensation and other benefits**

In previous studies, salary was mentioned most frequently as a factor causing employee turnover. For instance, Chan and Kuok (2011) tried to explain why people resign for reasons of salary based on the local labour market conditions. The demand for labour in the hospitality sector in Macao has recently increased rapidly; thus, the market suffered from a labour shortage. This shortage was considered to be the main reason for the salary hikes that motivated people to leave their jobs more frequently, as there were better offers from other firms (Chan and Kuok, 2011). Although the findings by Chan and Kuok (2011) were limited to the Macao region, the strong influence of salary was also consistent in other studies (Su et al., 2011, Yang et al., 2012,



Pizam and Thornburg, 2000). Yang et al. (2012) explained that people expect higher compensation, particularly when their companies were performing well, while Blomme et al. (2010a) tried to explain salary as a way of increasing commitment to the firm to decrease turnover intention.

However, some studies contradicted the strong impact of salary on employee turnover, as Lee et al. (2012) and Lee and Way (2010) confirmed. In addition, Mohsin et al. (2013) found that salary was inversely related to turnover intention. The study implied that the young participants in the hospitality sector focused more on building a career than on level of salary (Mohsin et al., 2013). This finding was also supported by Qiu et al. (2014) and Iverson and Deery (1997), who stated that salary was a minor reason for turnover, although they found a low level of correlation with employee turnover.

There were also mixed findings related to the salary issue. In a survey of hospitality graduates, pay was ranked as the second most important reason for abandoning the career, but the participants would return to the hospitality sector if the pay were increased (Brown, 2011). Brown's study focused on careers instead of on jobs, and the participants had majored in hospitality. Thus, it was difficult to generalise these findings to employee turnover issues when considering a different demographic. However, the study showed that pay could be a reason for leaving a job, as well as a reason for taking a job. An earlier study by Moncarz et al. (2009) made a similar point in that salary affects employees' turnover decisions, but not their retention decisions. This implied that, in the longer term, the reason for a career decision can be less affected by monetary compensation.

The mixed findings about salaries were explained by Gustafson (2002), who said that people often considered 'salary' as a main turnover factor, although, the actual reasons for turnover were non-salary issues such as management support and social events (Gustafson, 2002).

In addition to the general compensation level, Vasquez (2014) and Blomme et al. (2010a) explained how an incentive system affects employee turnover. Both studies concluded that effective incentive systems decrease voluntary termination. In particular, Blomme et al. (2010a) proved that an ineffective incentive system impacts on turnover intention by decreasing the organisational commitment. However, the scale of the research was limited (Vasquez, 2014) and

the incentive scheme was not as important as was the salary or as were other factors (Blomme et al., 2010a).

Apart from the basic salary, Su et al. (2011) found that other benefits were also related to turnover, but were less important than were salary and other factors. Other benefits were also mentioned in other studies by Wang (2010) and by Pizam and Thornburg (2000). However, as the benefits were not tested or studied separately but were included with salary, it is difficult to see how strongly the other benefits affected employee turnover. Although the other benefits were generally agreed to be turnover factors, they were not accepted as such in some other regions such as India and Taiwan (Mohsin et al., 2013, Lee and Way, 2010).

#### **2.5.1.2. Job quality**

A wide range of job-related factors was mentioned in previous research. Lee and Way (2010) determined that different job categories, shifts and levels affected turnover intention in hotels; for example, F&B staff, those at the managerial level and those working the morning shift had a greater intention to remain in the hotel. (Blomme et al., 2010a) also agreed that job content affected employee turnover, but these studies did not explain clearly why these factors contributed to better job quality.

With regard to job quality, Yang et al. (2012, p. 842) explained that four different job qualities affected employee turnover, namely 'lack of challenge', 'too much information processing', 'monotony of daily work' and 'change in philosophy of business operation'.

Also, Yang et al. (2012) pointed out that a job involving simple and less challenging tasks would increase turnover intention, but that employees did not like to spend time dealing with demanding paperwork. In addition, the turnover intention increased when there were other job opportunities that provided more challenging tasks due to the rapidly changing local hospitality sector (Yang et al., 2012).

Besides, in an earlier study by Yang (2010), the researcher suggested two possible job quality factors that caused higher employee turnover, which were autonomy and role ambiguity. However, only autonomy affected employee turnover significantly (Yang, 2010). Yang (2010) indicated that the hospitality industry changes quickly in a short time, employees' expectations might also change dramatically.

In fact, the preference for multi-tasking jobs was also supported by Jang and George (2012, p. 592), who found that hospitality workers with ‘polychronicity’ (in other words, people prefer multi-tasking at work) felt more satisfied with their jobs, leading to decreased employee turnover. The impact of simple tasks was also mentioned by Iverson and Deery (1997) as an indirect factor in employee turnover. Brown (2011) added that people who left the hospitality sector were interested in intellectually challenging jobs, as well as respect and empowerment. With regard to the complexity of a job, implementing ‘job design’ seemed to be a common HR practice to address the issue by reducing boredom and increasing flexibility within the organisation (Moncarz et al., 2009, p. 451). Conversely, covering different job roles might also increase turnover intention, according to Iverson and Deery (1997).

In addition to the impact of job complexity / design issue, Dipietro and Condly (2007) identified job quality issues with motivational factors. Their research listed three main job qualities affecting motivation and turnover, namely interest, importance and utility. In other words, employees would feel more motivated when their jobs were more interesting and were important to the overall operation, which would eventually decrease employee turnover.

Next, in Mohsin et al. (2013) research, unclear policies and guidelines were further identified as demotivating factors, as was ungrateful work. However, no clear explanation of the un-stimulating job qualities that increased employee turnover was provided.

Another frequently mentioned job quality factor was flexible working hour (Milman, 2003, Blomme et al., 2010b, Lee et al., 2011). Lee et al. (2011) concluded that overall job satisfaction did not affect turnover intention significantly, but that satisfaction with schedule flexibility did. However, the study posited that greater satisfaction was not the result of better scheduling, but of higher emotional intelligence (Lee et al., 2011). Blomme et al. (2010b) explained how a low level of work flexibility affected the work-life balance with particular reference to female workers, who experienced greater conflict in their families when there were lower levels of flexibility at work, and this eventually caused an increased turnover intention.

Although job quality was almost universally agreed upon as a reason for turnover, Kim and Jogaratnam (2010) rejected the link between job content and turnover intention. Their study concluded that job content only affected job satisfaction and did not affect turnover intention (Kim and Jogaratnam, 2010). However, the sampled population was relatively young, which implies a low level of generalisation to other age groups.

### **2.5.1.3. Promotion**

Promotion was consistently proven to be a concern affecting employee turnover in previous studies such as Su et al. (2011), Brown (2011) and Chan and Kuok (2011). Qiu et al. (2014) explained that promotion is a way to affect a higher level of intrinsic motivation for employees. Accordingly, when the opportunity to attain a higher position was absent, employees were more willing to leave their jobs (Qiu et al., 2014), and this finding was consistent with that of Yang et al. (2012).

In another study, Wang (2010) found that the reason for the correlation between career development and turnover intention was due to working pressure exacerbated by fewer promotional opportunities, leading to lower levels of organisational commitment. However, the study did not explain this link clearly. Blomme et al. (2010a), also stated that organisational commitment was an intermediary factor between promotional opportunities and turnover intention. In addition, intra-organisational mobility and job security were possibly influenced by career opportunities that impacted on organisational commitment and subsequent turnover intentions (Blomme et al., 2010a).

Unlike other studies, Moncarz et al. (2009) agreed partially with the influence of promotion on turnover intention. The study only confirmed that promotional opportunities affected the retention decisions of both managerial and non-managerial staff, but did not affect employee turnover (Moncarz et al., 2009), which implies that short-term career decisions are less affected by opportunities for promotion.

As promotion was an important turnover factor, how the decision is important in turnover decisions (Milman, 2003). Shreedaran (2010) explained that employees expect to have constructive feedback to improve their skills via training support. Vasquez (2014) also concluded that effective performance appraisal had an effect on turnover, but indirectly via organisational goals and objectives.

### **2.5.1.4. Working environment and its elements**

The term working environment was mentioned in a number of studies (Yang et al., 2012; , Lee et al., 2012; , Lee & Way, 2010), which indicated a correlation between working

environment and employee turnover. However, the term working environment was not consistently defined or addressed in previous research.

For instance, Moncarz et al. (2009) considered the working environment to be more of a culture issue (such as having a fun working environment) related to empowerment, while Lee and Way (2010) linked it to communication, location of work, achievement and specific departments. Empowerment was also included a part of the working environment in Lee et al. (2012) study, in addition to facilities, equipment and sanitation, which were also mentioned by Shreedaran (2010). In addition, organisational structure and the incentive system were used to evaluate the working environment (Yang et al., 2012). Thus, even though there was strong evidence that the working environment has an impact on employee turnover in the hospitality industry, the interpretations were mixed and the findings were difficult to generalise.

Although the previous studies generally agreed that a poor working environment increases employee turnover, Moncarz et al. (2009) rejected links between the working environment and employee turnover for both managerial and non-managerial staff.

To understand how communication impacted on employee turnover, according to Milman (2003), effective organisational communication increased job satisfaction and reduced turnover intentions accordingly. Furthermore, satisfied and long-term committed employees were more likely to recommend their organisations to others. In his study, Wang (2010) proved that good communication increased organisational communication while reducing work pressure and turnover intentions. However, the hypothesis test was combined with other four factors, making it difficult to see the extent to which communication influences turnover intention.

For instance, when top management made important decisions without lower-level staff participation, this decreased the staff members' motivation and eventually encouraging them to leave their jobs (Yang et al., 2012).

In spite of common agreement regarding the communication effect on turnover, Vasquez (2014) listed communication as having relatively low impact on turnover decisions. Furthermore, Moncarz et al. (2009) only proved that communication influenced the retention and tenure decisions at the non-managerial level, but did not affect the employee turnover of managerial and non-managerial staff.

Concerning how culture influenced employee turnover, culture was identified as an important factor in employee retention (Moncarz et al., 2009) and a commonly shared

organisational culture could reduce employee turnover (Vasquez, 2014). The most noticeable research related to culture and turnover in the hospitality industry was that by Iverson and Deery (1997). The study confirmed that there was a 'turnover culture' in the hospitality industry defined as a "Work group belief in legitimacy of labour turnover" (Iverson and Deery, 1997, p.73). In other words, employees were more likely to leave their jobs when resigning was a norm within the organisation and was considered to be acceptable behaviour.

Yet, Yang et al. (2012) listed different aspects of culture related to employee turnover, such as factions, infighting and unfriendly competition. The research concluded that a negative culture was the result of work pressure, internal competition and office politics.

As the findings of the previous studies were mixed, it was difficult to find a universal culture causing employee turnover in the above studies. Nonetheless, socialisation was frequently mentioned as an important factor related to turnover intention since it increased job satisfaction, organisational commitment, absenteeism and turnover intention (Yang, 2010). The importance of social activities was also proved by Gustafson (2002), who stated that socialisation is a way of motivating employees through recognition, although the correlation was rejected by Mohsin et al. (2013).

#### **2.5.1.5. Staffing and training**

Choi and Dickson (2009) confirmed that training had a positive impact on an organisation by decreasing employee turnover and increasing job satisfaction regardless of the types of jobs and roles, although Chiang et al. (2005) only proved indirect connection between training and turnover based on job satisfaction. On the other hand, mentoring showed mixed findings regarding whether it affected turnover (Su et al., 2011) or merely organisational commitment (Lam et al., 2002).

As a matter of fact, Shreedaran (2010) explained that training was essential, as HR was key to sustaining competitive advantages to generate a higher quality of service. He added that effective training encouraged staff members to have greater confidence, eventually reducing turnover intentions.

Another line of thought on other HRM factors was also discussed in previous research related to reasons for turnover. For example, Shreedaran (2010) mentioned the poor initial orientation for new staff members. The researcher added that initial orientation could be critical

in reducing anxiety and for providing essential job information and trust in the organisation (Shreedaran, 2010). The impact of the hiring process was confirmed as a retention factor for managerial employees by Moncarz et al. (2009).

#### **2.5.1.6. Job satisfaction and organisational commitment**

Overall, job satisfaction was concluded to be a strong predictor of turnover intention. For instance, job satisfaction influenced turnover intention directly and indirectly, but had a more significant effect via organisational commitment (Choi, 2006). In a later study, Yang (2010) confirmed the direct and indirect path to the turnover intention, but affective commitment showed stronger correlation with job satisfaction and turnover intention. The correlation between job satisfaction and turnover was also confirmed by various studies, such as those by Zhou and He (2014) and by Jang and George (2012).

However, the connection between job satisfaction and turnover was determined as either being direct according to Zhou and He (2014) and Jang and George (2012), or indirect via organisational commitment according to Lee and Way (2010) and Choi (2006).

In addition to the impact of job satisfaction on turnover, the factors predicting job satisfaction were widely mentioned, ranging from relationship quality, comparison to others, job accuracy, the need-reward match's impact on the relationship quality, comparison to others (Choi, 2006), training (Chiang et al., 2005), and work-family conflict (Zhou and He, 2014) to polychronicity (Jang and George, 2012). Yang (2010) added role conflict and autonomy as contributors to job satisfaction that indirectly affect organizational commitment as well, yet role ambiguity was rejected.

On the other hand, several studies rejected the impact of job satisfaction on employee turnover. For instance, according to Lee et al. (2011), overall job satisfaction did not influence turnover intention, although satisfaction with schedule flexibility was negatively correlated. Hospitality work required employees to adapt to flexible working schedules, and those with greater EQ were more likely to adapt to flexible schedules and this affects their turnover decisions, but not their overall satisfaction resulting from other factors. Nonetheless, the strength of the correlation with schedule flexibility was somewhat weak (-0.26 of the standardised coefficient).

In addition, Kim and Jogaratnam (2010) and Lam et al. (2002) also confirmed that job satisfaction did not predict employee turnover, but only organisational commitment (Lam et al., 2002). Kim and Jogaratnam (2010) mentioned a possible sampling error that caused the contradictory finding of the job satisfaction effect on turnover.

As job satisfaction, organisational commitment was often mentioned in relation to job satisfaction but, in some other studies, it was also considered to be a strong predictor of turnover derived from the quality of the job and the working environment (Blomme et al., 2010a), although Su et al. (2011) concluded that it was the least significant factor among the nine key turnover determinants.

Although the impact of organizational commitment was not universally agreed, Upchurch et al. (2010) concluded both intrinsic and extrinsic factors affected organizational commitment, though overall extrinsic factors were more influential than intrinsic factors to organizational commitment. Yet, the study suggested that right combinations of intrinsic and extrinsic factors (e.g. a feeling of being involved, work condition and incentive program) enhanced organizational commitment (Upchurch et al., 2010).

#### **2.5.1.7. Intrinsic motivation**

According to Kim and Jogaratnam (2010), intrinsic motivation was a predictor of turnover intention, together with supervisory leadership. The strength of the correlation with turnover intention was rather weak compared to relationship to supervisory leadership. However, the causes of variations in intrinsic motivation were not mentioned clearly or tested.

To understand the effect of intrinsic motivation further, a number of other studies expounded on possible predictors of intrinsic motivation. For instance, Dipietro and Condly (2007) applied Clark's Commitment and Necessary Effort (CANE) model to measure motivation and how it affected turnover intentions. The research confirmed that support was the most influential factor for explaining turnover intention, followed by self-efficacy and utility. In other words, employees who felt more supported were less likely to leave their jobs and had more confidence in their work capabilities, thus decreasing turnover (Dipietro and Condly, 2007). In addition, how employees perceived the usefulness of the tasks they performed contributed to achieving their goals mattered in terms of their motivation and turnover intention (Dipietro and Condly, 2007).



Moreover, Brown (2011) and Choi (2006) proved that unmet expectations changed employees' turnover decisions. For example, employees with a greater gap between importance and expectations in the working environment were more likely to leave their careers in the hospitality industry (Brown, 2011). Brown (2011) also listed a wide range of unmet expectations that influenced turnover, while Choi (2006) concluded that unmet expectations concerning rewards increased employee turnover indirectly.

Furthermore, Lam et al. (2002) added that individual values (subjective norms) as an important factor, particularly for Chinese employees. However, the study did not specify the types of subjective norms that influenced employee turnover. Lastly, hope was mentioned as a mediator that reduced the impact of stress on employee turnover (Yavas et al., 2013). Employees with higher levels of hope (measured by psychological well-being) were less likely to leave their jobs since hope decreased the negative impact of job stress (Yavas et al., 2013).

#### **2.5.1.8. Personal competency**

Job performance contributed to employee turnover, but no specific measure of job performance was suggested (Pizam and Thornburg, 2000). A possible explanation for the correlation between polychronicity and turnover intention was the nature of hospitality work. Hospitality workers were generally required to multi-task at work; thus, those with higher levels of polychronicity could perform better, resulting in greater levels of job satisfaction and lower levels of turnover (Jang and George, 2012). However, this did not necessarily mean that only polychronic staff members could perform better in hospitality jobs, since there was a wide range of jobs involving various skill sets, from simple work to multitasking jobs (Jang and George, 2012). The study highlighted the importance of the HR role in selecting and assigning the right people for the right job (Jang and George, 2012).

To further understanding the role of personal competency, some researchers paid attention to emotional intelligence (EQ) and EQ was proved to be a driving factor that mitigated turnover intention (e.g. Wolfe and Kim, 2013, Lee et al., 2011). EQ was defined earlier as “the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and action” (Salovey and Mayer, 1990, p. 198). According to Wolfe and Kim (2013), employees with higher levels of EQ tended to remain longer in hospitality careers, but did not predict company tenure. In addition, Lee et al. (2011)

showed how EQ could influence employee turnover indirectly via job flexibility. In other words, employees with higher levels of EQ were more capable of dealing with the demanding schedule in the hospitality industry, as EQ increased job satisfaction and thus reduced turnover intention (Lee et al., 2011). Both studies indicated the possible impact of EQ on employee turnover but determined that EQ had a long-term / indirect impacted on the turnover decision instead of an immediate / direct connection.

#### **2.5.1.9. Work-life balance and management support**

Although the work-life balance was possibly a non-gender issue that affects employee turnover as Blomme et al. (2010b) confirmed, most of the previous studies agreed that female staff members are highly affected by work-life balance issues. For examples, shorter traveling time to work and more time for family were important concerns for female staff members (Qiu et al., 2014). Furthermore, the work-family balance was a concern when they changed to new jobs. The author explained that the nature of hospitality work is that it is demanding and inflexible, which made it difficult for staff to achieve an appropriate balance between work and life.

Moreover, according to Zhou and He (2014), the family-work conflict contributed to lower levels of job satisfaction as well as to higher levels of turnover intentions for female workers. The study confirmed that the family-work conflict could influence turnover intentions directly and indirectly (through job satisfaction). The study implied that female workers had more responsibility for family issues, which increased the level of the family-work conflict, together with turnover intentions.

Although there was general agreement concerning the work-life balance in the previous literature, the work-life balance was not confirmed as a turnover factor in India (Mohsin et al., 2013) and kinship responsibility was not supported as an antecedent of turnover intention (Iverson and Deery, 1997).

As work-life balance was seen as a turnover determinant, the importance of managerial support may ease this tension. In fact, employees felt motivated when they are supported by management and this leads to lower employee turnover (Dipietro and Condly, 2007). Management support would affect women more profoundly since women were under more pressure caused by the work-life balance and, without proper organisation, women would be

more inclined to leave their jobs voluntarily for the sake of their families (Blomme et al., 2010b). Yang et al. (2012) added that a poor central management style could increase employee turnover since it caused the demotivation of employees via ineffective management practices.

#### **2.5.1.10. Organization and employee background**

Individual employment characteristics affected the intention to continue in a job depending on the level of employment, working hours, the number of years working at the organisation and working shifts (Lee and Way, 2010). For instance, managerial staff were more concerned about the working environment and job quality in turnover decisions, while staff members in the food and beverage department were more influenced by job quality (Lee and Way, 2010). The impact of different departments on turnover decisions was also proved by Pizam and Thornburg (2000) in their earlier study, in addition to employment status (part-time or full-time) and other factors. However, individual employment profiles did not affect compensation and personal status related to turnover intention (Lee and Way, 2010).

In addition, the older generation had lower levels of job satisfaction, which led to higher levels of turnover intention, particularly for those at non-managerial levels (Maier, 2011). In particular, when baby boomers worked under managers from younger generations, their dissatisfaction increased due to misaligned leadership expectations (Maier, 2011). Nonetheless, the effect of age on turnover intention was rather weak (Pizam and Thornburg, 2000) or was not supported statistically (Nadiri and Tanova, 2010).

With regard to female workers, the work-life balance was highlighted as a factor affecting turnover decisions by Zhou and He (2014) and Blomme et al. (2010b), since women usually had more responsibility for family and housework. Blomme et al. (2010a) added that promotion opportunities affected women more significantly with regard to turnover decisions, since women frequently had fewer promotional opportunities than do men, which had an effect on work-life balance issues. Accordingly, women tended to put more emphasis on promotion in job decisions (Blomme et al., 2010a).

In contrast to the other demographic factors, educational level was not confirmed as a reason for turnover (Mohsin et al., 2013). No further explanations were provided in the study.

In addition to the individual demographical differences, there were studies that tried to explain how organizational background influenced employee turnover decision. Two external factors formed by organisations were identified, namely the organisation's reputation (Chan and Kuok, 2011) and the owner's financial capability (Yang et al., 2012). Organisational reputation was mentioned by Chan and Kuok (2011), but was deemed to have a lower impact on turnover compared to other factors. Furthermore, employees were more likely to leave their jobs when the owners were unable to pay salaries on time (Chan and Kuok, 2011). Both studies generally identified the factors, but no further research or explanations were provided to allow deeper analyses.

According to Lee et al. (2014b), having a code of ethics could influence employees' turnover intentions. When organisations were more engaged in corporate philanthropy, this increased job engagement and organisational engagement, thus indirectly decreased turnover intentions.

Nadiri and Tanova (2010) focused on three different types of justice influencing turnover, namely distributive, procedural and interactional justice. All three types of justice affected the turnover intentions and the satisfaction of employees, but interactional justice (the way managers communicate with employees) had more influence on turnover intention (Nadiri and Tanova, 2010).

#### **2.5.1.11. Relationship and its impact**

Relationship quality was mentioned frequently and was studied often in previous studies. Some studies proved the link between the quality of the relationship amongst co-workers and supervisors and turnover intentions (Choi, 2006, Lee et al., 2012), although the effect was somewhat indirect.

The reasons behind the relationship quality-turnover link were explained by Qiu et al. (2014). For instance, work-group bonding was stressed by the interviewees, since strong bonds with colleagues could increase job performance in highly collaborative working environments (Qiu et al., 2014). Furthermore, satisfactory relationships with co-workers can increase satisfaction with the job directly, as it can bring enjoyment to the working environment (Qiu et al., 2014).

On the other hand, a number of other studies contradicted the impact of the relationship quality. According to Mohsin et al. (2013), the relationship with supervisors was not statistically supported as a turnover factor. The author implied that the local culture (India) generally supported good relationships with managers and peers; thus, the relationship quality was not a main concern in turnover decisions. Similarly, Lam et al. (2002) rejected the influence of relationship quality on employee turnover, although the author highlighted the importance of relationships in Chinese culture and management practice.

Besides, Tews et al. (2013a) focused on other aspects of employee relationship, namely instrumental support and emotional support. The study concluded that greater instrumental support increased turnover intentions, while greater emotional support decreased turnover intentions. The findings were further explained as follows: people who received greater instrumental support might be seen as “incompetent and inferior” (Tews et al., 2013a, p. 645), or poorly performing staff members may simply receive more instrumental support.

In addition to the peer-level relationship, the impact of supervisory support on employee turnover received mixed findings in Kim and Jogaratnam (2010) and Iverson and Deery (1997). However, Qiu et al. (2014) stated that empowerment by supervisors motivated employees to remain in an organisation.

### ***2.5.2. Employee Turnover in Restaurants (general food and beverage service outside of the SEA region)***

Since the research scope in the hospitality industry was too general to be valid for the current research, it was necessary to review a more specific area that is closer to that of the current research.

In the restaurant industry, salaries, other benefits and promotions were still considered to be the most commonly proven causes of turnover (Batt et al., 2014, Wildes, 2008), and the mostly frequently mentioned direct causes of turnover that were also consistently mentioned in the general literature on the hospitality industry, with the exception of corporate culture and communication, and of incentives and rewards (see Table 1).

**Table 1: Summary of the Common Direct Causes of Employee Turnover/Retention in the Restaurant Industry (General Region)**

		Causes							
		Salary	Other benefits	Promotion	Relationship with co-workers	Corporate culture and communication	Incentive / reward	Management support	Relationship with managers
Author	Batt, Lee & Lakhani (2014)	v	v	v					
	Severt, Xie & Dipietro, (2007)								
	Cantrell & Sarabakhsh (1991)	v		v	v				v
	George (1991)	v	v					v	
	Wildes (2008)	v	v	v					

(Source: Author)

In addition, training, flexible hours (Wildes, 2008), family issues (George, 1991), age, tasks and jobs, autonomy (Severt et al., 2007) and ethics (Jung et al., 2010) were also consistently mentioned as less frequent findings that contributed to restaurant workers leaving their jobs.

It was interesting that some new variables were mentioned in the discussion of the restaurant industry. For example, Tews et al. (2013b, p. 375) focused on ‘fun activities’ as a factor linked to employee turnover, while Wildes (2007) and Wildes and Parks (2005) stated that turnover was caused by internal service quality. Moreover, critical events (Tews et al., 2014) and consciousness of stigma (Wildes, 2005) were also proven to be related to the employee turnover of restaurant workers.

Job satisfaction that was mentioned frequently in hospitality literature was also proved to be a factor affecting employee turnover related to locus of control (Huang, 2007). Yet, internal and external locus of control showed opposite effect on job satisfaction as employees with higher internal locus of control indicated higher job satisfaction leading to lower turnover intention and vice-versa (Huang, 2007).

The literature focused on the restaurant industry revealed some new findings, as well as consistencies with the general literature on hospitality. The findings in this field could be more appropriate to the current research. Nonetheless, a limited number of studies provided fundamental explanations and correlations among the variables. Therefore, qualitative explanations were limited for the current research.

### ***2.5.3. Employee Turnover in the Fast-food and Franchising Industry***

Research in the fast food industry has been less intensive than it has in the general hospitality and restaurant industries. However, according to Dipietro et al. (2007), there were some findings consistent with those in the hospitality and restaurant industries, as pay, promotion opportunities, other benefits, tips, relationships with co-workers and communication were listed as the main causes of employees leaving their jobs. In addition to these common causes, ‘easier travel to work’ (Dipietro et al., 2007, p. 57) was one of the main reasons behind fast food workers’ turnover decisions, which is unique among the other general sectors.

Some other studies focused on a limited range of topics, including ethics (Aikens, 2012), job and life satisfaction (Ghiselli et al., 2001), internal friendship networks (Feeley et al., 2008), financial and non-financial incentives (Peterson and Luthans, 2006), and communication networks (Krackhardt and Porter, 1986).

Concerning franchising sector, the quantity of available literature decreased dramatically with regard to the scope of research focused on franchises and company-owned food and beverage services. It was interesting that Johnston and Spinks (2013) showed that the organisational climate was not correlated with employee turnover, and this finding was inconsistent with findings in the previous literature.

### ***2.5.4. Employee retention and turnover in the food and beverage service industry in Southeast Asia and Vietnam***

The literature focusing on Southeast Asia (SEA) was somewhat limited in terms of the research scope. Specifically, the majority of the research conducted in Malaysia drew its samples from the hotel industry (Wai and Ong, 2014, Hemdi and Nasurdin, 2006). However, some studies showed consistent findings with those of the Western studies in that training,

performance appraisal, promotion (Hemdi & Nasuridin, 2006), compensation, recognition, promotion, the nature of the job, satisfaction (Saporna & Claveria, 2013) and commitment (Rahim, 2011) affected turnover, although there was a conflicting finding that organisational commitment may not be a cause of turnover (Saporna and Claveria, 2013).

However, the studies focused on Vietnam F&B sector got lower attention. A limited number of recent studies have explored the reasons for employee turnover in Vietnam. The recent studies in Vietnam HRM were reviewed in the earlier chapter and these were also briefly summarized by Nguyen et al. (2013a) which showed no specific study focused on employee turnover issue. Although there was no published literature on the F&B industry in Vietnam, two studies have explored organisational commitment and job satisfaction in the transportation (Mai and Phan, 2014) and banking industries (Nguyen et al., 2014); however, they did not investigate the relationship to employee turnover. Nonetheless, they did provide some implications for employee turnover issues.

## **2.6. Research gaps and opportunities**

Literature on employee turnover issues in the food and beverage industry was highly skewed towards the Western world in terms of both the quantity and the quality thereof. There have not been sufficient research efforts in SEA, particularly in Vietnam. Therefore, the current study would be a pioneering study that would have clear management implications for addressing the employee turnover issue in Vietnam Food & Beverage sector.

In addition, the research findings among regions and industries were inconsistent, although there were some common findings. Since there were different contexts in different regions and industries, the findings in Western studies might be not applicable to Vietnam. For these reasons, conducting the current study would contribute to filling the research gap in the existing literature.

As well, there has been limited studies and findings in the path analysis and causations / correlations among the turnover factors on three levels – individual, team and organizational factors that would give more thorough understanding in employee turnover and HR effectiveness to develop competitive advantages.



### **3.0. Literature synthesis and Basic Theory**

Throughout the review of the previous studies of employee turnover that focused on hospitality, three sets of variables emerged, namely:

1. Individual;
2. Team;
3. Organisational;

This section provided a synthesis of the literature with respect to these three sets of variables.

#### **3.1. Individual Variables**

According to previous research, individual variables were employment profile, performance, psychology and work-life balance (see Table 2 below and Appendix 1: Individual Factors by literature).

With regard to demographic variables, age (Maier, 2011, Pizam and Thornburg, 2000, Nadiri and Tanova, 2010), gender (Zhou and He, 2014, Blomme et al., 2010b, Blomme et al., 2010a) and education level were studied in relation to employee turnover, and age and gender received statistical supports as reasons for turnover.

Various psychological variables were confirmed by earlier studies, which found that job satisfaction (Zhou and He, 2014) and organisational commitment (Mohsin et al., 2013) were more influential with regard to employee turnover. Furthermore, the work-life balance was a strong predictor of employee turnover, especially for women (Blomme et al., 2010b), since women encountered greater role conflict between household and work duties.

**Table 2: Individual Variables**

<b>Sub-category</b>	<b>Turnover factor</b>	<b>Supporting literature</b>
Demographics	Age	Pizam and Thornburg (2000), Shreedaran (2010)
	Marital status	Pizam and Thornburg (2000)
	Gender	Pizam and Thornburg (2000), Shreedaran (2010), Blomme et al. (2010b)
	Education level	Mohsin et al. (2013), Brown (2011)
Employee profile	Length of service	Pizam and Thornburg (2000), Nadiri and Tanova (2010)
	Level of employment	Lee and Way (2010)
	Job category	Lee and Way (2010)
Performance-related factors	Job performance	Pizam and Thornburg (2000)
	Effort	Dipietro and Condly (2007)
	Persistence	Dipietro and Condly (2007)
	Polychronicity	Jang and George (2012)
Psychological factors	Job satisfaction	Choi (2006), Lee et al. (2012)
	Intrinsic motivation	Yavas et al. (2013), Kim and Jogaratnam (2010)
	Subjective norm	Lam et al. (2002)
	Comparison with others	Choi (2006), Chan and Kuok (2011)
	Emotional intelligence	Iverson and Deery (1997), Lee et al. (2011)
	Self-efficacy	Dipietro and Condly (2007)
	Unmet expectations	Shreedaran (2010), Choi (2006)
	Organisational commitment	Rahim (2011), Saporna and Claveria (2013)
Work-life balance	Social life balance	Blomme et al. (2010b), Zhou and He (2014)
	Kinship responsibility	Iverson and Deery (1997)

	Career development plan	Qiu et al. (2014)
	Easier travel to work	DiPietro and Milman (2004), Dipietro et al. (2007)

### 3.2. Team Variables

With regard to the team factor, the quality of the relationships among team members was the most important concern when making turnover decisions (Vasquez, 2014, Robinson et al., 2014). Emotional and instrumental support from team members was concluded to be a reason for turnover (Tews et al., 2013a), in addition to the department to which the team belonged (Lee and Way, 2010). (See Appendix 2: Team Variables)

### 3.3. Organisational factors

A wide range of organisational factors was identified in the previous research, as shown in Table 3 below (See Appendix 3: Organizational Variables). In particular, salary, promotion, job quality and the working environment were highlighted as key organisational factors predicting turnover decisions.

**Table 3: Organizational Variables**

Sub-category	Turnover factor	Supporting literature
Working atmosphere	Working environment	Yang et al. (2012)
	Management support	Dipietro and Condly (2007)
	Communication	Milman (2003),
	Culture / socialisation	Moncarz et al. (2009)
Job	Job quality	Lee and Way (2010)
	Job security	Mohsin et al. (2013)
	Job stress	Yavas et al. (2013)
Compensation and rewards	Salary	Chan and Kuok (2011)
	Incentive system	Vasquez (2014)
	Other benefits	Su et al. (2011)
Other HRM factors	Promotion	Qiu et al. (2014)
	Training	Choi and Dickson (2009)
	Recruitment procedure	Moncarz et al. (2009)

Organisational values	Ethics	Lee et al. (2014b)
	Customer centeredness	Moncarz et al. (2009)
Organisational background	Labour shortage	Gustafson (2002)
	Owner's financial status	Yang et al. (2012)
	Reputation of organisation	Chan and Kuok (2011)

### 3.4. Associations Among Variables

A number of other researchers attempted to explain the reasons for employee turnover by studying relationships that were more complicated than are direct links between independent and dependent variables (See Table 4).

It was interesting that job satisfaction and organisational commitment were still mentioned frequently as direct and indirect causes or antecedents of employee turnover (Choi, 2006, Lee et al., 2012). However, organisational commitment was proven to be the most direct sign of turnover according to Choi (2006) and Lee et al. (2012), while job satisfaction was mentioned more often as an indirect factor (Lee et al., 2011, Iverson and Deery, 1997).

In fact, job satisfaction was considered to be a controversial reason behind employee turnover, since there was some disagreement in the research findings. For instance, there was no significant statistical evidence that job satisfaction caused higher turnover in the study by Kim and Jogaratnam (2010), while other studies showed it to be correlated directly and indirectly with turnover (Choi, 2006, Lee et al., 2012).

Although various indirect reasons were identified in the previous literature such as relationship quality, work environment and salary, the finding was not agreed as some variables were considered as both direct and indirect reasons for employee turnover (e.g. salary).

Despite the deeper implications, this type of study also had some shortcomings. Specifically, authors did not agree on a universal model, and the studies addressed a relatively narrow scope of themes. Thus, it was not possible to test all the possible correlations among variables to provide a clear explanation of causation.

**Table 4: Direct and Indirect Causes of Employee Turnover**

<b>Author</b>	<b>Direct reason</b>	<b>Direct and indirect reasons</b>	<b>Indirect reason</b>
Choi (2006)	Organisational commitment	Job satisfaction	Accuracy in terms of job information Need-rewards match Relationship quality Comparisons to others
Lee, Huang and Zhao (2012)	Organisational commitment		Job satisfaction Co-worker relationships Work environment Salary level
Wang (2010)		Organisational commitment Work pressure Career development Occupation Communication Internal management Pay and welfare	
Yang (2010)		Absenteeism Affective commitment Continuance commitment Job satisfaction	Role conflict Burnout Socialisation Autonomy
Kim and Jogaratnam (2010)	Intrinsic motivation, Supervisory leadership	(Job satisfaction has no effect on turnover)	
Lee et al. (2011)	Satisfaction with job flexibility		Emotional intelligence Overall job satisfaction
Iverson and Deery (1997)	Job search	Union loyalty	Routinisation Role conflict Promotional opportunity Career development Negative affectivity Job satisfaction Organisational commitment Job opportunity

			Turnover culture
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*(Source: Author)*

As shown in the above table, job satisfaction and organisational commitment were the most immediate / strongest reasons that predicted employee turnover directly, while other organisational, team and individual factors affected turnover decisions indirectly via job satisfaction or/and organisational commitment.

### 3.5. Initial Model

The early studies by Mobley et al. (1979) developed the employee turnover model that included various factors related to individual, team and organisational level that caused employee turnover through various paths. Later, Bluedorn (1982) and Price and Mueller (1981) introduced turnover models that explained how factors on the three levels influenced employee turnover through direct and indirect paths.

The model suggested by Mobley (1979) opened up possibilities in turnover research for integrative and multivariate turnover determinants. In addition, Bluedorn (1982) and Price and Mueller (1981) models provided evidence that different variables on the three levels formed different paths leading to employee turnover.

The turnover research from the hospitality sector also developed models to understand paths and relationships (see Appendix 27). For example, Wang (2010) developed a model that included a direct path from a factor of team leave to turnover intention, while (Kim and Jogaratnam, 2010) and (Lee et al., 2012) confirmed an indirect path from factors on an organisational level, such as job characteristics, work environment and salary level.

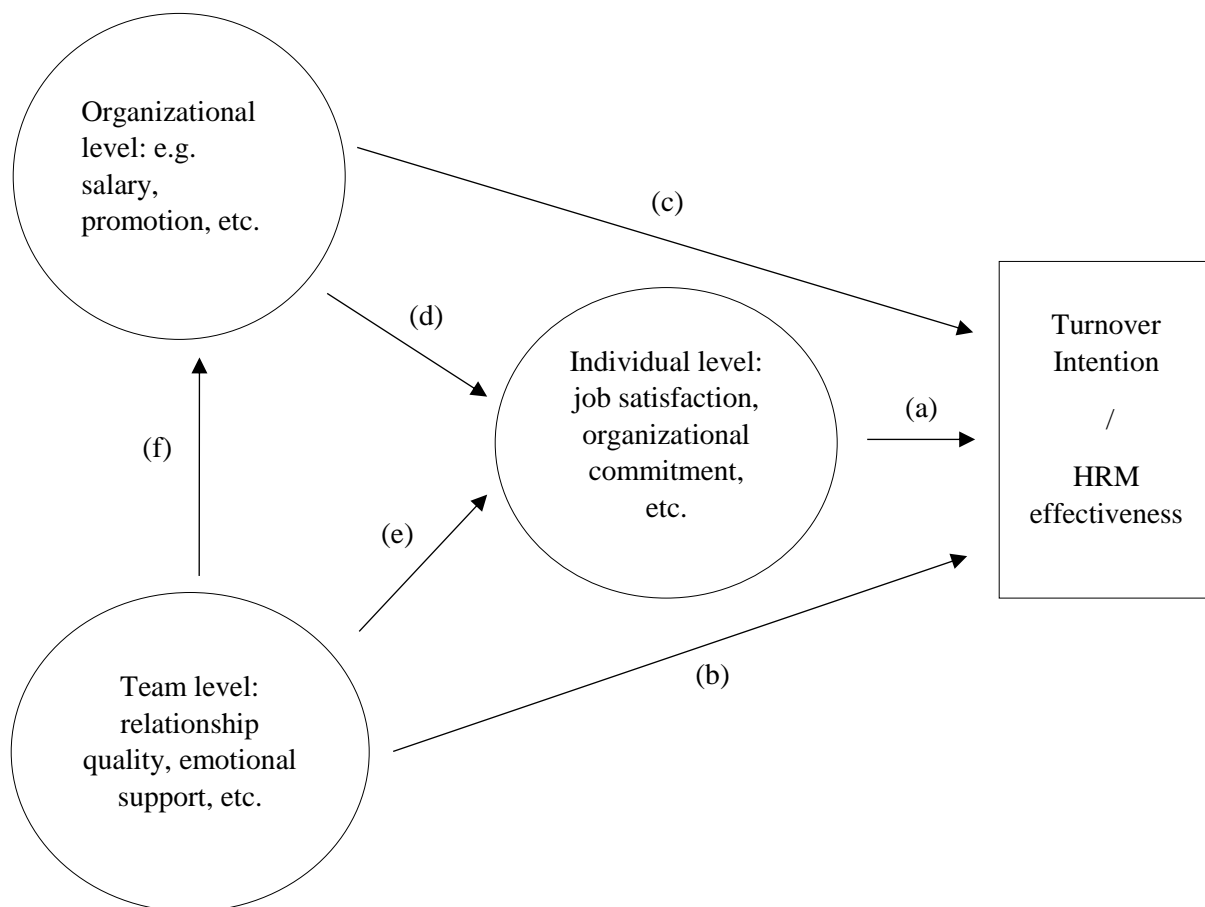
The effect of team-related factors on employee turnover was also reported by Robinson et al. (2014) and Tews et al. (2013a) and was illustrated in a model developed by Vasquez (2014), which indicated that supervisory leadership influenced the intention to remain. Turnover determinants on an individual level such as job satisfaction (Choi, 2006), organisational commitment (Lee et al., 2012) and intrinsic motivation (Kim and Jogaratnam, 2010) were also reported frequently as direct antecedents to turnover.

With regard to the indirect paths, the team (relationship quality) / individual level (job satisfaction) path was confirmed by Choi (2006), and the team / organisational level path was suggested by Feeley et al. (2008) and Lam et al. (2002), who stated that a positive relationship quality could reduce job stress and improve the overall quality of the working environment, which impacted on turnover. The path between the team and the organisational level was also explained by Martin (2010), who posited that strong peer support improved the effectiveness of training. The organisational / individual level path was also supported by a wide range of researchers, such as Lee et al. (2012) and Wang (2010).

Based on the above models and the findings in the literature concerning turnover determinants, the current study developed an initial model shown in Figure 1.

As the previous literature focused on the paths and connections between various variables and determinants (e.g. Bluedorn, 1982, Price and Mueller, 1981, Choi, 2006, Wang, 2010), the current model was developed to understand the relationships and paths on the three levels – individual, team and organisational based on the variables and determinants studied by the previous literatures.

The initial model consisted of four constructs, including individual, team, organisational level and turnover intention, which revealed three direct paths and four indirect paths leading to turnover, as shown in Figure 1.



**Figure 1: Initial Model**

(Source: Author)



### **3.6. Preliminary Theory**

#### ***3.6.1. Main points from the synthesis***

- HRM was one of the critical and strategic issues for sustainable competitive advantage in Vietnam (Truong et al., 2010).
- HRM effectiveness could be measured using turnover intention (Frank et al., 2004).
- There were three different levels affecting employee turnover intention – with research questions about the direct and combined influence of the individual, team and organizational levels.
  - (a): Different individual background such as age (Maier, 2011), gender (Blomme et al., 2010a), educational background (Mohsin et al., 2013) and individual performance (Pizam and Thornburg, 2000), psychological reasons (Wolfe and Kim, 2013), work-balance issues (Blomme et al., 2010b), etc. influenced employee turnover intention on individual level.
  - (b): Team cohesiveness influenced employee turnover intention through relationship quality (Qiu et al., 2014), emotional support, instrumental support (Tews et al., 2013a) and different department / team (Gustafson, 2002) at the team level.
  - (c): Organizational factors such as work environment (Yang et al., 2012), compensation (Chan and Kuok, 2011), communication (Milman, 2003), culture (Moncarz et al., 2009), company ethic (Lee et al., 2014b), affected employee turnover intention at the organization level.
- The three levels might show (see relations (a), (b) and (c)) directly patterns in employee turnover intention. In addition, there might be patterns in correlations among these levels, as shown in the model by potential relations (d), (e) and (f). Either the direct relations or correlations might point to ways of understanding and improving HRM effectiveness.
- Considering the theory of interactions among three levels that might influence employee turnover intention.
  - (d): organization-related factors were influencing individuals and so impacting on HRM effectiveness (Choi, 2006, Lee et al., 2012).

- (e): Team-related factors were influencing individuals and so impacting on employee turnover intention (Choi, 2006, Lee et al., 2012).
- (f): Team-related factors were influencing organizational-related factors and so impacting on employee turnover intention (Qiu et al., 2014, Lam et al., 2002, Feeley et al., 2008).

### **3.6.2. Basic Theory**

The following focal basic theory was developed:

*Employee turnover intention can be explained by various variables on three levels – individual (e.g. demography, job satisfaction, work-life balance, intrinsic motivation, subjective norm, etc.); team (e.g. relationship quality, instrumental and emotional support, etc.); organizational (e.g. compensation, promotion, work environment, training, etc.)*

*This is to be researched given the general theory that understanding these variables and addressing concerns with them can not only reduce turnover specifically but drive improvement in HRM generally.*

### **3.7. Research questions, aims and objectives**

#### **3.7.1. Aim:**

- To evaluate the effectiveness of HRM in Vietnam by exploring turnover intention in the food and beverage (F&B) industry in Vietnam with variables at three different levels – individual, team and organizational.

#### **3.7.2. Research questions**

- What are the variables that predict employee turnover in Vietnam F&B Sector?
- How are the variables associated to predict the employee turnover?
- What does the study of turnover intention show us about the effectiveness of HRM in Vietnam F&B Sector?

#### **3.7.3. Objectives:**

- To identify the levels and causes of employees' turnover intention in case study companies in the food and beverage industry in Vietnam.
- To analyse the paths among individual, team and organizational level that shape employees' turnover intentions in the food and beverage industry in Vietnam.
- To explore the personal experiences of employees and better understand their turnover intentions and experiences of HRM in the case study companies
- To generalise from the cases and the sector to identify themes and concerns in the future for HRM in Vietnam

#### **3.7.4. Hypothesis**

##### **3.7.4.1. Research hypothesis**

$H_0$ : No associations exist among individual, team and organizational variables which are the employee turnover intention.

$H_1$ : Associations exist among a set of individual, team and organizational variables which are the employee turnover intention.

#### **3.7.4.2. Operational hypothesis**

$H_0$ : No individual-related variables predict turnover intention in Vietnam F&B sector.

$H_1$ : Individual-related variables predict turnover intention in Vietnam F&B sector.

$H_0$ : No team-related variables predict turnover intention in Vietnam F&B sector.

$H_1$ : Team-related variables predict turnover intention in Vietnam F&B sector.

$H_0$ : No organizational-related variables predict turnover intention in Vietnam F&B sector.

$H_1$ : Organizational-related variables predict turnover intention in Vietnam F&B sector.

$H_0$ : The team and organizational-related variables do not affect turnover intention through individual variables

$H_1$ : The team and organizational-related variables affect turnover intention through individual variables

## **4.0. Research Methodology**

### **4.1. Pilot study**

#### ***4.1.1 Introduction***

The purpose of a pilot study was to test the preliminary theory that was developed in the previous section related to the three categories, namely the effect of individual, team and organisational factors on employees' turnover intentions. An on-line questionnaire was developed to measure the correlations among variables.

XYZ Bakery was operating 15 stores in Vietnam, including 11 in Ho Chi Minh City (HCMC) and four in other regions at the time of research. Two hundred and fifty staff members were working at XYZ Bakery in the stores and back office.

For a pilot study, all 15 stores in Vietnam were surveyed, with the store managers initially contacted on the 19<sup>th</sup> of January 2016.

### **4.2. Methodology**

#### ***4.2.1. Measurement:***

53 questions were developed to test three sets of variables potentially affecting employees' turnover intentions (See Appendix 4: Pilot Survey Questions). The questions for each factor were developed based on the questions previously developed by previous researchers (please see the below tables). When questions were not available, terms and definitions provided in the literature were used to develop questions.

22 questions were developed to investigate individual factors (See Table 5 and 6). There were four subcategories under the individual factors including 'demography', 'job employment profile', 'performance-related factor' and 'psychological factor'. For example, with regard to 'performance-related factor', job satisfaction and organizational commitment were asked with a five-point Likert. For job satisfaction, the statement, 'I feel fairly satisfied with my present job' (Autry and Daugherty, 2003, p. 195) was asked to response. To examine organisational commitment, the statement 'I often tell my friends that the company I work for is a very good one' (Lee et al., 2012, p. 869) was rated.

**Table 5: Individual Factor Measurement A**

Factors	Levels	Measurement items	References	Types
Age	Individual	In what year, were you born?	(Pizam and Thornburg, 2000)***	Dropdown list
Marital status	Individual	Which of the following best describes your current relationship status?	(Pizam and Thornburg, 2000)***	Multiple choice
Gender	Individual	What is your gender?	(Pizam and Thornburg, 2000)***	Multiple choice
Race	Individual	What is your hometown?	(Ghiselli et al., 2001)***	Multiple choice
		Please describe your race/ethnicity.	(Ghiselli et al., 2001)***	Multiple choice
Education level	Individual	What is the highest level of education you have completed?	(Mohsin et al., 2013)***	Multiple choice
Length of service (employment)	Individual	About how long have you been working in the current company?	(Pizam and Thornburg, 2000)***	Multiple choice
Level of employment	Individual	what is your job role?	(Lee and Way, 2010)***	Multiple choice
Job category	Individual	What type of shift pattern do you work?	(Lee and Way, 2010)***	Multiple choice

\*The question was directly used in the cited literature.

\*\*The question was developed based on the terms/definition used in the literature.

\*\*\*The question was developed by author based on the factor supported by the literature.

**Table 6: Individual Factors Measurement B**

<b>Factors</b>	<b>Levels</b>	<b>Measurement items</b>	<b>References</b>	<b>Types</b>
Job performance	Individual	Have you ever been selected as the employee of the year?	(Pizam and Thornburg, 2000)***	Multiple choice
		how many times are you selected as ‘employee of the year’?	(Pizam and Thornburg, 2000)***	Multiple choice
		I get compliments from my manager frequently.	(Pizam and Thornburg, 2000)***	Likert scale
Job satisfaction	Individual	I feel fairly satisfied with my present job.	(Autry and Daugherty, 2003)*	Likert scale
Intrinsic motivation	Individual	Doing my job well increases my feeling of self-esteem.	(Kim and Jogaratnam, 2010)*	Likert scale
		I feel like I am a good match for my organization.	(Robinson et al., 2014)*	Likert scale
Self-efficacy	Individual	Compared to other employees, I expect to do well on my performance evaluation.	(Dipietro and Condly, 2007)*	Likert scale
Subjective norms	Individual	People who are most important to me think that I should quit my current job.	(Lam et al., 2002)*	Likert scale
Organizational commitment	Individual	I often tell my friends that the company I work for is a very good one.	(Lee et al., 2012)*	Likert scale
Work-life balance	Individual	My job gives me enough time for family activities.	(Mohsin et al., 2013)*	Likert scale
		My job gives me enough time to socialize.	(Mohsin et al., 2013)*	Likert scale
Career development plan	Individual	I have a clear career goal.	(Qiu et al., 2014)**	Likert scale

Convenience factor	Individual	I chose this job because it is close from my house.	(DiPietro and Milman, 2004)**	Likert scale
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*\*The question was directly used in the cited literature.*

*\*\*The question was developed based on the terms/definition used in the literature.*

*\*\*\*The question was developed by author based on the factor supported by the literature.*

To measure team factors, five statements were developed (see Table 7), such as ‘Co-workers are friendly’ (Lee et al., 2012, p. 869) and ‘My co-workers help me out when things become demanding’ (Tews et al., 2013a, p. 639) related emotional and instrumental team support. Another question was asked to identify team of the participant (Lee and Way, 2010).

**Table 7: Team Factor Measurement**

Factors	Levels	Measurement items	References	Types
Relationship quality	Team	Co-workers are friendly.	(Lee et al., 2012)*	Likert scale
		I have good interactions with my supervisors.	(Lee et al., 2012)*	Likert scale
Coworker emotional support	Team	My co-workers take a personal interest in me.	(Tews et al., 2013a)*	Likert scale
Coworker instrumental support	Team	My co-workers help me out when things get demanding.	(Tews et al., 2013a)*	Likert scale
Department / team	Team	which department / team do you work with?	(Lee and Way, 2010)***	Multiple choice

*\*The question was directly used in the cited literature.*

*\*\*The question was developed based on the terms/definition used in the literature.*

*\*\*\*The question was developed by author based on the factor supported by the literature.*

With regard to the organisational factors, there were five subcategories including ‘working environment’, ‘job quality / job design’, ‘compensation / reward factor’, ‘other HRM factors’ and ‘organizational cultural value’. 24 statements were formulated, such as ‘My job requires me to do many different things, using a number of different skills and talents’ (Hackman and Oldham, 1974, p. 50) for ‘job design (under ‘job quality’)’ while ‘working environment’ was assessed via the statement ‘My job provides a pleasant working environment’ (Brown, 2011, p.



103) and salary (under ‘job quality’) was rated according the statement, ‘I am very satisfied with my salary’ (Lee et al., 2012, p. 869).

**Table 8: Organizational Factor Measurement A**

<b>Factors</b>	<b>Levels</b>	<b>Measurement items</b>	<b>References</b>	<b>Types</b>
Work environment	Organizational	My job provides a pleasant working environment.	(Brown, 2011)**	Likert scale
		The facilities at my organization is in keeping with the type of services expected of me.	(Wildes and Parks, 2005)*	Likert scale
Management support	Organizational	When I have problems, my managers show a sincere interest in solving it.	(Wildes and Parks, 2005)*	Likert scale
		I can trust managers at my organizations.	(Wildes and Parks, 2005)*	Likert scale
Communication	Organizational	Senior management practices open communication and sharing of information with employee.	(Moncarz et al., 2009)	Likert scale
Culture / socialization	Organizational	My company celebrates work achievement. E.g. public recognition for outstanding results and employees of the month programs.	(Tews et al., 2013b)*	Likert scale

*\*The question was directly used in the cited literature.*

*\*\*The question was developed based on the terms/definition used in the literature.*

*\*\*\*The question was developed by author based on the factor supported by the literature.*

**Table 9: Organizational Factor Measurement B**

<b>Factors</b>	<b>Levels</b>	<b>Measurement items</b>	<b>References</b>	<b>Types</b>
Job design / flexibility	Organizational	My job requires me to do many different things, using a number of different skills and talents.	(Hackman and Oldham, 1974)*	Likert scale
		I receive frequent feedback from my manager.	(Hackman and Oldham, 1974)*	Likert scale
Job / employment status	Organizational	Type of job contract	(Pizam and Thornburg, 2000)***	Likert scale
Job security	Organizational	my job is very secure.	(Mohsin et al., 2013)*	Likert scale
		My company provides long term career vision to me.	(Mohsin et al., 2013)*	Likert scale
Job stress	Organizational	Job-related problems keep me awake all night.	(Mohsin et al., 2013)*	Likert scale
		I feel that I have too heavy a workload, one that you cannot possible finish in a normal workday.	(Mohsin et al., 2013)*	Likert scale

\*The question was directly used in the cited literature.

\*\*The question was developed based on the terms/definition used in the literature.

\*\*\*The question was developed by author based on the factor supported by the literature.

The questions adapted from Moncarz et al. (2009) to measure promotion, performance appraisal and training practice at XYZ Bakery Vietnam.

**Table 10: Organizational Factor Measurement C**

<b>Factors</b>	<b>Levels</b>	<b>Measurement items</b>	<b>References</b>	<b>Types</b>
Salary / benefit / incentives	Organizational	I am very satisfied with my salary.	(Lee et al., 2012)*	Likert scale
Promotion / development	Organizational	Your employer supports promoting employees from within organization.	(Moncarz et al., 2009)*	Likert scale
		my employer provides job-development/career path guidance for employees.	(Moncarz et al., 2009)*	Likert scale
Performance appraisal	Organizational	My employer has regularly scheduled employee performance appraisal periods for employees.	(Moncarz et al., 2009)*	Likert scale
Training	Organizational	Regular training program is practiced at your establishment.	(Moncarz et al., 2009)**	Likert scale
		Your establishment has buddy/mentor programs for employees.	(Moncarz et al., 2009)*	Likert scale

*\*The question was directly used in the cited literature.*

*\*\*The question was developed based on the terms/definition used in the literature.*

*\*\*\*The question was developed by author based on the factor supported by the literature.*

Three questions were used to measure three different types of justice at work i.e. procedural, distributional and interactional justice developed by Nadiri and Tanova (2010). Turnover intention was measured by statements ‘In the past year, I have considered working somewhere else.’ (Autry and Daugherty, 2003, p. 195) and ‘I intend to quit my current job.’ (Lee et al., 2012, p. 870).

**Table 11: Organizational Factor Measurement D**

<b>Factors</b>	<b>Levels</b>	<b>Measurement items</b>	<b>References</b>	<b>Types</b>
Procedural / distributional / interactional justice (culture)	Organizational	There are fair rewards with regard to responsibilities in my establishment.	(Nadiri and Tanova, 2010)*	Likert scale
		My establishment is listening to others before decision making.	(Nadiri and Tanova, 2010)*	Likert scale
		People are treated consistently in my establishment.	(Nadiri and Tanova, 2010)*	Likert scale
Ethic	Organizational	My organization follows ethical standards and policies.	(Lee et al., 2014b)*	Likert scale
Customer centeredness	Organizational	We have customer-quality assurance goals that are communicated to employees.	(Moncarz et al., 2009)*	Likert scale
Turnover intention		In the past year, I have considered working somewhere else.	(Autry and Daugherty, 2003)*	Likert scale
		I intend to quit my current job.	(Lee et al., 2012)*	Likert scale

\*The question was directly used in the cited literature.

\*\*The question was developed based on the terms/definition used in the literature.

\*\*\*The question was developed by author based on the factor supported by the literature.

The pilot survey using the 53 questions were used to identify the most relevant employee turnover factors, with non-turnover related factors being eliminated. The identified factor scores were combined into individual, team and organization level to conduct a path analysis.

#### **4.2.1.1. Limitation**

The pilot study developed 53 questions to measure 37 variables, with one to three questions measure each variable in the questionnaire. The number of questions kept in minimum number to measure a wide range of variables to identify employee turnover factors in new context, as there was evidence that lengthier questionnaires reduced response rates (Rolstad et al., 2011, SurveyMonkey, 2011). The current study targeted relatively small targeted participants

(192 employees), where a good response rate is critical for valid statistical analysis. Yet, the limited items for each factor would reduce the reliability of measurement.

To increase reliability and validity of the survey result in the main study, additional data were collected as a 3<sup>rd</sup> party quantitative report and interviewed data.

#### ***4.2.2. Procedure:***

On the 19<sup>th</sup> of January 2016, the store manager was contacted by a translator (since the all staff members working at XYZ Bakery were Vietnamese and did not speak English) to explain the pilot questionnaire. The 53 survey questions were translated into Vietnamese by a translator. Following this, the translated questions were uploaded onto [www.surveymonkey.com](http://www.surveymonkey.com).

A letter inviting applicants to participate in an on-line survey was also developed and was translated into Vietnamese (see Appendix 5). On the 21<sup>st</sup> of March 2016, 192 invitations to participate in the pilot questionnaire were delivered 15 XYZ Bakery Vietnam stores across Vietnam, and the staff members began to participate in the survey.

The letter of invitation also provided an option to participate in the survey via the post should any participants request a paper questionnaire.

To encourage the staff to participate, the letter of invitation promised to donate VND 50,000 (approximately USD 2.2) per response. In addition, text messages were sent to the participants to encourage them to complete the on-line questionnaire.

The on-line survey was closed on the 25<sup>th</sup> April 2016.

#### ***4.2.3. Results:***

64 out of 192 employees (33.3%) responded to the online questionnaire. 56 respondents (87.5%) fully completed the questions and 8 respondents (12.5%) partially finished the questionnaire. No participant requested a hard-copy questionnaire.

#### 4.2.3.1. Demography

Among the respondents, 66% were female and 34% were male. The gender ratio was consistent with the population ratio in XYZ Bakery Vietnam (1:2, males to females). 50% of the respondents were between age of 28 and 30 and 83% were under 30 years old. 86% of respondents were single and 9% of them were only married or in a domestic partnership.

**Table 12: Demography A**

	<b>Response Percent</b>	<b>Response Count</b>
<b><i>Gender</i></b>		
Male	34%	22
Female	66%	42
<b><i>Age</i></b>		
19-21	2%	1
22-24	13%	8
25-27	19%	12
28-30	50%	32
31-33	17%	11

**Table 13: Demography B**

	<b>Response Percent</b>	<b>Response Count</b>
<b><i>Relationship Status</i></b>		
single	86%	55
Married	6%	4
Widowed	2%	1
Divorced	2%	1
Separated	2%	1
In a domestic partnership or civil union	3%	2

41% of the respondents were from HCMC and the majority was from rural area (42%). Since 87% of XYZ Bakery stores were located in HCMC, the number shows a quite number of employees came from other regions to work in HCMC.

The respondents were mostly homogenous race – Kinh (97%) and only 3% of them were Chinese-Vietnamese. Vietnam consists of 54 ethnic groups and Kinh is a major ethnicity (87% of population). Yet, Kinh dominates major cities as HCMC and Hanoi and the other 53 ethnic minorities – approximately 8 million people living in rural area. Thus, the response ratio of Kinh was reasonable to accept for further analysis. Yet, since there was only two non-Kinh respondents, the analysis wouldn't show the effect of different ethnicities.

**Table 14: Demography C**

	<b>Response Percent</b>	<b>Response Count</b>
<b><i>Hometown</i></b>		
Ba Ria - Vung Tau	9%	6
Binh Thuan	3%	2
Dong Nai	11%	7
Ha Noi	6%	4
Ho Chi Minh city	41%	26
Lao Cai	3%	2
Other	27%	17
<b><i>Race / Ethnicity</i></b>		
Kinh	97%	62
Hoa	3%	2

98% of the respondents at least finished high school diploma, and 36% studied in college / vocational school after high school. 25% of them got bachelor's degree. The majority (61%) worked in the company for less than 1 year and only 28% of them worked longer than 2 years in the company. 52% of the respondents were from sales team and 46% were from production (kitchen) team which were consistent with the population ratio.

**Table 15: Demography D**

	<b>Response Percent</b>	<b>Response Count</b>
<b><i>Education level</i></b>		
Secondary school	2%	1
High school/ vocational high school	38%	24
College diploma/ Vocational college diploma	36%	23
Undergraduate degree	25%	16
<b><i>Length of service</i></b>		
Less than 6 months	28%	18
6 months - 1 year	23%	15
1 - 2 years	20%	13
longer than 2 years	28%	18

**Table 16: Demography E**

	<b>Response Percent</b>	<b>Response Count</b>
<b><i>Job Role</i></b>		
Store Manager	6%	4
Production head	3%	2
Shift leader - kitchen	9%	6
Shift leader - sales	11%	7
Sales	31%	20
Assistant baker	33%	21
Packing	2%	1
Part-time sales	3%	2
Accountant	2%	1



#### 4.2.3.2. Turnover Intention:

*Table 17: Turnover Intention*

	Response Percent	Response Count
Low	7.4%	4
Medium	57.4%	31
High	35.2%	19

*(author)*

According to the survey, more than half of employees (64.8%) had moderate to high intention to quit their current job while 7.4% showed low intention to leave. Among the employee with intention to leave, 35.2% of them show relatively high intention.

Among the employee with high turnover intention, 36.8% were male and 63.2% were female. 78.9% of them were single and 5.2% were married. In addition, the majority the respondents were from HCMC (47.3%) and had high school diploma (47.3%) or vocational education or higher (52.0%). 63.1% of employees with high turnover intention were from production (kitchen) team and the other 36.9% were from sales team. 31.5% of the respondent worked as supervisory level (i.e. shift leader, team leader or store manager).

The overall description of turnover intention based on the demographic factors didn't clearly show any clear turnover factor since the response rates were proportional to the overall response rate. To understand clearer employee turnover factors, a correlation analysis was conducted in the next section.

#### 4.2.3.3. Correlation analysis:

To measure strengths of different variables, Spearman's correlation was conducted. Since the survey was conducted with mostly ordinal scale (i.e. Likert scale) and paired observations, the survey was appropriate for Spearman's correlation (Spearman, 1904).

To check if the survey results were monotonic relationships between variables, scatterplots were developed for 36 independent factors (e.g. job satisfaction, relationship quality, etc.) and one dependent factor (turnover intention). (Please, see Appendix 6: Scatterplot)

According to the scatterplots, it showed there was no non-monotonic relationship among the variable. Thus, it was appropriate to proceed Spearman's correlation.

A Spearman correlation analysis was conducted using SPSS for the data. The correlation analysis showed the following results:

**Table 18: High Turnover Intention Variable**

<b>Factor</b>	<b>Variable level</b>	<b>Coefficient</b>
organizational commitment	Individual	-.584**
communication	Organizational	-.561**
justice	Organizational	-.551**
work environment	Organizational	-.543**
ethic	Organizational	-.533**
management support	Organizational	-.504**

\*\*Correlation is significant at the 0.01 level (2-tailed)

\*Correlation is significant at the 0.05 level (2-tailed)

**Table 19: Moderate Turnover Intention Variable**

<b>Factor</b>	<b>Variable level</b>	<b>Coefficient</b>
customer centeredness	Organizational	-.475**
job performance	Individual	-.452**
job security	Organizational	-.449**
subjective norms	Individual	.445**
job satisfaction	Individual	-.417**
intrinsic motivation	Individual	-.400**
training	Organizational	-.398**
promotion, development	Organizational	-.397**
culture / socialization	Organizational	-.394**
performance appraisal	Organizational	-.367**
job design / flexibility	Organizational	-.364**
salary, benefit, incentive	Organizational	-.342**
department / team	Team	-.315*

\*\*Correlation is significant at the 0.01 level (2-tailed)

\*Correlation is significant at the 0.05 level (2-tailed)

**Table 20: Low Turnover Intention Variable**

<b>Factor</b>	<b>Variable level</b>	<b>Coefficient</b>
education level	Individual	-0.230
job stress	Organizational	0.226
work-life balance	Individual	-0.220
marital status	Individual	0.216
job category	Individual	-0.210
relationship quality	Team	-0.189
self-efficacy	Individual	0.185
level of employment	Individual	-0.181
race	Individual	-0.148
gender	Individual	-0.143
career development plan	Individual	-0.141
convenience factor	Individual	0.134
age	Individual	0.110
co-worker emotional support	Team	0.069
length of service	Individual	0.064
job / employment status	Organizational	0.048
co-worker instrumental support	Team	0.038

*\*\*Correlation is significant at the 0.01 level (2-tailed)*

*\*Correlation is significant at the 0.05 level (2-tailed)*

Firstly, in contrast with the literature review, individual and demographic variables were weakly correlated to the turnover intention in the Vietnamese company. Race, gender and age indicate low level of correlation coefficient as -0.148, -0.143 and 0.110 as well as education level (-0.230) and marital status 0.216. Yet, since the respondents were mostly Kinh (97%), it was not appropriate to conclude based on the coefficient.

At the individual level, organizational commitment showed the highest level of coefficient (-0.584) which affirms as would be expected that the more committed employees tend to have lower level of turnover intention. Indeed, organizational commitment was the highest coefficient among the 36 independent variables. This suggested the survey picked up an accurate measure of turnover intention

Some other variables at the individual level such as job performance (-0.452), subjective norms (0.445), job satisfaction (-0.417) and intrinsic motivation (-0.400) had a moderate level of

correlation with turnover intention. This more reflected what was understood and shown in the literature about turnover intention in other contexts. However, work-life balance, job categories, self-efficacy, level of employment, career development plan, convenience factor and length of service did not seem to correlate with turnover intention as would be predicted by previous findings. This needed to be explored and explained further, in interviews.

Second, variables on organizational level showed the strongest correlation to employee turnover intention. This was seen especially with justice (-0.551), work environment (-0.543), ethic (-0.533), communication (-0.519) and management support (-0.504) which all were associated with high turnover intention. In addition, customer centeredness (-0.475) and job security (-0.449) were seen to have a moderately high level of coefficient. At the organizational level, only job stress (0.226) and job / employment status (0.048) didn't feature as factors potentially affecting in turnover intention.

Finally, variables at the team level didn't have statistical support for correlation to employee turnover intention. Among the 5 factors explored only department / team showed a moderate level of correlation (-0.315). This shows that employees working in kitchen teams had a higher level of turnover intention than those in sales team. Other team related variables (e.g. relationship quality, emotional and instrumental support) didn't show significant level of correlation coefficient.

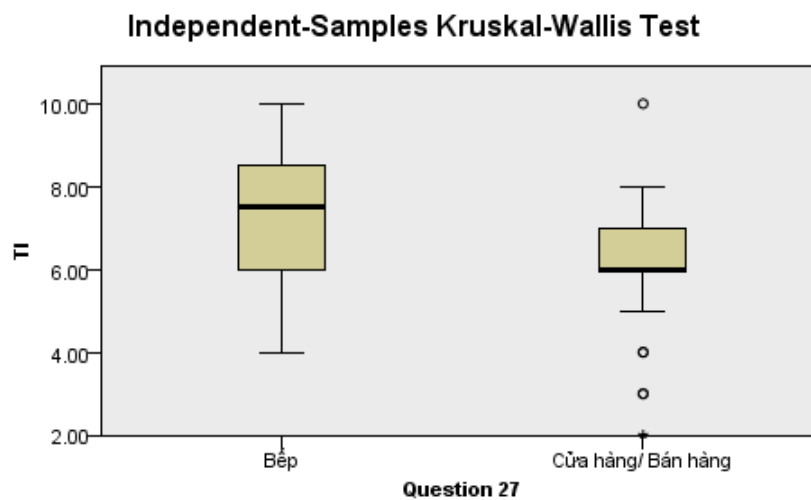
#### **4.2.3.4. Kruskal Wallis H test:**

To measure how categorical differences in the team factor influences employee turnover intention, Kruskal Wallis H Test was used to test the team / store variables. The following result was generated by SPSS:

**Table 21: Kruskal Wallis H Test Result**

Hypothesis Test Summary			
Null Hypothesis	Test	Sig.	Decision
1 The distribution of TI is the same across categories of Question 27.	Independent-Samples Kruskal-Wallis Test	.019	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.



<b>Total N</b>	56
<b>Test Statistic</b>	5.460
<b>Degrees of Freedom</b>	1
<b>Asymptotic Sig. (2-sided test)</b>	.019

1. The test statistic is adjusted for ties.
2. Multiple comparisons are not performed because there are less than three test fields.

The result indicated that the different categories influenced turnover intention as the staffs working in the kitchen team (Bep) indicated higher turnover intention than in the sales team (Cua Hang / Ban Hang).

#### **4.2.3.5. Three-Level analysis:**

##### **4.2.3.5.1. Cronbach's Alpha analysis:**

Since there were multiple items used to measure the constructs - individual and organizational factors, Cronbach's Alpha analysis conducted to check internal consistency of the data set.

The 5 individual-related variables were identified (job performance, job satisfaction, intrinsic motivation, subjective norms, and organizational commitment) as significant turnover factors. Cronbach's Alpha analysis showed the following result for the 5 variables developed by 8 items (questions).

**Table 22: Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.692	0.705	5

**Table 23: Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
f9	16.5161	8.942	0.483	0.292	0.626
f10	18.1129	9.610	0.542	0.311	0.606
f11	13.7097	9.554	0.334	0.191	0.702
f13_reverse	18.6129	10.438	0.373	0.196	0.671
f14	18.4032	9.589	0.554	0.368	0.602

Individual level consisted of 8 questions (5 factors) indicated a high level of internal consistency (0.692). According to DeVellis (2016) and Kline (2015), the questionnaire was

considered as ‘consistent’ if the Alpha is 0.7 or higher. Also, no item significantly increased the Alpha by eliminating. Thus, the items developed for individual level were reliable for further path analysis.

For organizational level, the 13 organizational-related variables were identified (work environment, management support, communication, etc.) as significant turnover variables. Cronbach’s Alpha analysis showed the following result for the 13 variables developed by 21 items (questions).

**Table 24: Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.933	0.946	13

**Table 25: Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
f22	50.6250	220.530	0.699	0.550	0.928
f23	50.9286	202.758	0.793	0.727	0.925
f24	54.4464	226.615	0.816	0.742	0.926
f25	55.1071	230.897	0.705	0.616	0.929
f26	50.0000	238.109	0.588	0.462	0.932
f28	51.2857	226.462	0.631	0.541	0.930
f30	54.9107	237.065	0.649	0.507	0.931
f31	53.7500	210.700	0.752	0.798	0.926
f32	55.6429	236.125	0.771	0.816	0.929
f33	53.4464	208.252	0.739	0.694	0.927
f34	49.9821	182.672	0.895	0.842	0.924
f35	54.3214	230.440	0.837	0.755	0.926
f36	53.8393	234.246	0.702	0.586	0.929

Organizational level consisted of 21 items (questions) indicated a high internal consistency (0.933) by the Cronbach’s Alpha. Also, no item significantly increased the Alpha by

eliminating. Thus, the combined score for organizational level was reliable to run further path analysis.

In the previous Spearman's correlation, only team / department variable in team-related level was based on one item. Thus, team level adapted the item directly for further path analysis.

#### **4.2.3.5.2. Correlations Analysis:**

To understanding how the organization and team-related variables interact with individual level and each other, another Spearman correlation ran for the 18 factors that indicated moderate and high level of correlation coefficient sorted by three constructs i.e. Individual (IF), Organizational (OF), Team (TF) and Turnover Intention (TI) as below.

**Table 26: Three-Level Analysis**

	IF	TF	OF	TI
IF	1	.329**	.623**	-.661**
TF	.329**	1	.341**	-.315*
OF	.623**	.341**	1	-.601**
TI	-.661**	-.315*	-.601**	1

\*\*Correlation is significant at the 0.01 level (2-tailed)

\*Correlation is significant at the 0.05 level (2-tailed)

All 3-levels (individual, team, organization) showed statistically significant correlation to turnover intention. According to the Spearman's correlation, the individual level indicated the strongest correlation (-0.661) to the turnover intention and the team factor showed the lower level of prediction (-0.315). Among the 3-levels, there were also statistically significant correlations witnessed. The connection between organizational and individual level was significantly high (-0.623). The coefficients supported there are correlations exist among the 3-level as well as certain paths proposed by the initial model (Figure 1). Especially, the factors on organizational level significantly influenced individual level causing significant result on HRM effectiveness.



#### ***4.2.4. Pilot study summary***

The pilot study did not conform the main hypotheses, though the operational hypotheses were supported to some extent. The three levels affecting employee turnover intention, emphasizing the organization level then the individual level as major areas of concern. There were interesting differences between the pilot result and what the literature would suggest, especially about the role and significance of individual factors, with only some individual factors selectively correlated to turnover intention. Additionally, there was evidence that the team factor has a relatively low level of connection to turnover intention. As the influence of team factor was rejected in a previous literature (Mohsin et al., 2013), the result may indicate there is no or weak connection between team level influence and turnover intention. This issue s further measured and analysed in the main study.

Overall, the pilot study was, on balance, seen to support the theory and model proposed earlier that described a potential relationship between the individual, team and organizational levels and turnover intention. A further sample study using the same levels and variables were proceed, and a similar analysis undertaken to confirm or clarify the explanation of turnover intention and the consequent agenda for HRM effectiveness. As the pilot findings suggested patterns that were not consistent with those seen in other studies it was appropriate to also conduct interviews to explore what might explain the greater role of organizational factors and the lesser role of individual and team factors in the Vietnamese context.

Additionally, further statistical analyses were conducted (path-analysis) to prove clear paths to turnover intention.

#### ***4.2.5. Formal theory***

Based on the literature synthesis and the pilot study result, the basic theory was suitable to be carried through for the formal theory, though there were some inconsistencies and weak correlations in the pilot study for aspects of the theory. This was clarified through the following main study with a wider scale of data and more thorough analyses. For this reason, the formal theory was stated as:

*HRM effectiveness can sustain / create competitive advantage. Employee turnover intention is an indicator that can be used to measure and evaluate the effectiveness of HRM in F&B sector in Vietnam. Patterns in employee turnover intention, and action to change this if desired, are to be explained at three levels – individual (e.g. demography, job satisfaction, work-life balance, intrinsic motivation, subjective norm, etc.); team (e.g. relationship quality, instrumental and emotional support, etc.); organizational (e.g. compensation, promotion, work environment, training, etc).*

### **4.3. Research design and methodology**

#### ***4.3.1. Research paradigm and strategy***

The current research adapted a positivist approach to understand correlations and causations between variables that influence employee turnover intention through conducting questionnaires and statistical analysis in a case organization to generalize the findings as a formal theory in the given context. The researcher believed the correlations and causations for employee turnover can be objectively measured through a case study and the finding can be generalized to different contexts. For the reason, a positivist approach was appropriate for current study as suggested by Jankowicz et al. (2016b).

To follow the positivism, the current study chose a case-study approach for number of reasons such as securitizing data access and higher response rate, understanding reasons for the correlations and exploring new / complex issues (Vissak, 2010). Also, according to Jankowicz and Wallace (2016), Research Type B – hypothesis-based single case study, was appropriate when researchers still explore relatively new areas based on previous exploratory studies.

In fact, the key variables heightening employee turnover intention were already studied in previous literature. Yet, those studies were mainly conducted in Western context or non-Southeast Asian outside Vietnamese context. For the reason, the previous findings needed to be tested again in the new context based on a positivist approach and explored further with more detailed explanation based on a qualitative method.

For the reason, the current research was based on the positivist approach (statistical analysis based on questionnaire from a case study) with qualitative data collected by interview. Using both quantitative and qualitative method for a positivist research was considered as a valid approach according to (Jankowicz et al., 2016b). In other words, preliminary theories developed by the previous studies were be tested by a single case study which follows Research Type B (Jankowicz and Wallace, 2016). Yet, the current study also used interview to triangulate the findings by the mixed method.

A hypothesis-based single case study was used for the current study by testing a series of hypothesis test (quantitative approach) in 3 main dimensions – individual, team and organizational factors developed by the previous literature. Yet, qualitative data was collected by interview to triangulate the findings of the quantitative analysis.

The current study examined and explored a new context in a specific region (Vietnam), so this study aimed to bring initial findings through a small-scale study that could be a basis for further / larger scale studies later on.

#### ***4.3.2. Research methodology***

The current study was an empirical study based on a case study. XYZ Bakery Vietnam was selected in order to collect the data, and questionnaire and interviews were conducted in 15 stores and a central production unit in Vietnam. The number of employees in the 15 stores was approximately 209 at present, and all staff members at all 15 stores were invited to participate in the questionnaire. This case study-based empirical study was adapted from previous studies, such as those by Choi and Dickson (2009) and Wolfe and Kim (2013), who conducted case study-based questionnaire to understand the effect of training (Choi & Dickson, 2009) and emotional intelligence (Wolfe & Kim, 2013) on employee turnover in a hotel chain.

The present research focused on current employees' turnover intentions to avoid potential issues in sampling and low response rates. The majority of the previous studies (Lee et al., 2012, Yavas et al., 2013) also used samples chosen from current employees in order to understand their turnover intentions; thus, this method was valid for the current study.

In addition, according to Lee and Mowday (1987), turnover intention was the only antecedent that predicts actual leaving, and this finding was corroborated in other studies (Michaels & Spector, 1982; O'Reilly & Caldwell, 1981, as cited in Tett & Meyer, 1993). Thus, the current research method was a valid approach to understand the reasons for turnover in this context.

With regard to the interviews, approximately 20 staff members from different backgrounds (jobs, ages, genders and so on) were randomly selected to participate in semi-structured interviews. In Yang et al. (2012) study, qualitative interviews were used to understand the reasons behind employee turnover that had been stated in the literature. Therefore, this approach was also appropriate for the current study. In addition, both quantitative questionnaire and qualitative interviews were used to validate and strengthen the findings (Shreedaran, 2010), as was the case with the design of the current study.

The Vietnamese language were used for the interviews and questionnaire, which was then translated into English for analysis. Semi-structured interviews and questionnaire were chosen in order to standardise the data collection and to minimise misunderstandings during the Vietnamese/ English translation process (more details will be given in the next section), and the translation method was proven by Kim et al. (2010) to be a valid approach.

The result of questionnaire was analysed to 1. identify relevant turnover variables in the case company and 2. develop constructs for a path analysis.

Firstly, the literature review (Section 3) identified a range of variables affecting employee turnover intention in hospitality industries from previous literature. These factors in the three different levels (individual, team and organizational) were converted into 46 questions (including two questions for turnover intention) based on the previous literature. The data from pilot questionnaire was analysed by Spearman's correlation to identify variables that directly influence turnover intention. Throughout this procedure, the most relevant turnover factors were identified for Vietnam F&B sector.

The pilot analysis showed there were 17 variables statistically not significant as turnover factors (See Table 20). These low turnover variables (i.e. 'self-efficacy', 'work-life balance', 'career development plan', 'convenient factor', 'job stress' and 'job / employment status') were eliminated in the main study questionnaire except the basis demographic questions and the questions related to team level. The all questions measure for team level were kept since there was only one scale proven to be significant at 0.05 level. The all scales in team level were measured again with the main study for XYZ Bakery and DEF Café to avoid any statistical errors. Yet, for DEF Café, the question related to team / department (i.e. "*which team / department do you work with?*") were replaced by "*which store do you work?*" since there was no team / department difference in each store.

For nominal variables e.g. stores and teams, Kruskal Wallis H test were conducted to see if there were any differences among the groups with level of influences.

Second, for a path analysis, among these variables, they were grouped into individual, team and organizational-related level. Each group summed scores from the items on each level and a path-analysis were conducted by SmartPLS to test if there was an evidence for the proposed path among the three levels.

For the path analysis, the current research adapts the procedure proposed by Jankowicz et al. (2016a) as following:

- i. A model / construct was developed (Section 3.5) based on literature review (Section 3.0).
- ii. Research and operational hypothesis were developed (Section 3.7.4).

- iii. A questionnaire was devised (with 53 questions) to measure scales on three levels – individual, team and organisational.
- iv. A pilot study was conducted to confirm the model / construct and a reliability test (Cronbach's alpha) was applied to eliminate irrelevant scales.
- v. The refined questionnaire were run in two organizations as a main study.
- vi. Conclusions were made based on the main study results.

Next, interview data was used to triangulate, and analyse the correlations that exist, presuming they reflected the pilot study findings. This further validated the correlations. Furthermore, the interview analysis enabled the Vietnamese experience to be better described, with findings related to Vietnam F&B context not seen in the previous HRM literature.

To address the limitations of a single case study and other data was collected from two other firms including ABC Café and DEF Café (both firms were leading F&B service brands in Vietnam; the identity of the firms kept in confidential for their requests).

For DEF Café, the annual employee survey in 2016 was used (DEF Café agreed to provide the data under confidentiality agreement) to analyse correlations between variable. The annual employee survey was conducted by DEF Café. Accordingly, it is expected that the analysis of the report increases validity and reduce bias from the findings from XYZ bakery Vietnam. In addition, 5 employees were selected by snow-bowling and interviewed to understand the correlations identified by the annual report.

For ABC Café, the questionnaire conducted for XYZ Bakery Vietnam was rolled out to 10 stores in Vietnam. All staffs working in 11 stores were invited for online questionnaires. The same questionnaire methods used for XYZ Bakery was applied to ABC Café. The collected data from the questionnaire had the same statistically analysis conducted for XYZ bakery Vietnam. Furthermore, 5 snow-bowled employees were selected for interview to understand the correlations found in the statistical analysis.

The analyses of the two additional cases strengthen 'analytic generalization' (See Section 6.1.) from the main case study – XYZ Bakery through 3<sup>rd</sup> party data, additional data collected from a different firm with qualitative data to understand causations among variables. The interview of ABC Café and DEF Café was conducted after the questionnaires to focus on explanation of the gap between the three cases for the questionnaire analysis (i.e. correlations and path analyses).

### **4.3.3. Measurement**

In the main study, the six factors were eliminated based on the pilot result such as self-efficacy, work-life balance, career development plan, etc. Yet. The all items in demographic factors e.g. age, gender and race were kept to profile the respondents (See Appendix 7: Factors on Three Levels).

All the items pertaining to the team-related factors were retained since the pilot result did not show clear and significant correlations with turnover intention. In the main study, the store location was added to shed further light on how team variation influenced turnover intention. With regard to the rest of the items, the original questions were used (see Appendix 7: Factors on Three Levels).

46 questions (for XYZ Bakery and forty-five for ABC Café; since ABC Café had no team difference, one question regarding the team level was eliminated) were developed to test three categories of factors that potentially affect employees' turnover intentions. The questions for each factor were developed based on the questions developed previously by previous researchers (see Appendix 4: Pilot Survey Questions). When questions were not available, terms and definitions provided in the literature were used to develop the questions.

Eight questions were developed to investigate individual factors (see Appendix 7: Factors on Three Levels). Six questions were developed to measure team factors, such as 'Co-workers are friendly' (Lee et al., 2012) and 'My co-workers help me out when things become demanding' (Tews et al., 2013a), and were related to emotional and instrumental team support. Two questions were asked to identify the team (for XYZ Bakery only) and the store of the participants (Lee and Way, 2010). With regard to the organisational factors, 21 statements were formulated and two questions were asked to measure turnover intention as per the pilot study.



## **4.4. Sample design and details of the data collection process**

### **4.4.1. Overview**

The targeted samples for the current study were XYZ Bakery, ABC Café and DEF Café in Vietnam. At present, XYZ Bakery Vietnam was operating 11 stores in HCMC and other locations such as Vung Tau, Nha Trang, Bien Hoa and Hanoi. All staff members working in the 15 stores and one central production unit were invited to participate in the questionnaire (approximately 250 staffs), and 20 randomly selected employees were interviewed. In ABC Café Vietnam, there were 10 stores operating in Vietnam at the time of questionnaire and the all staffs (approximately 100 staffs) in the stores were invited for participating in the questionnaire and 5 employees were selected by snowball sampling for an interview. For DEF Café quantitative data, a secondary data source was used from the company annual survey and 5 employees will be selected by snowball sampling.

According to previous studies, the response rate varied from 15.5% (Choi and Dickson, 2009) to 87.5% (Lee & Huang, 2012). In the pilot study, 33.3% of the employees responded to the questionnaire. Thus, the current study aimed at a minimum of 30% - 40% response rate. With regard to the interviews, a stratified sampling method was used based on different strata (such as job category) in order to represent different backgrounds.

Questionnaire invitations were sent to all the staff by post and SMS message, and the staff members participated voluntarily either in the on-line questionnaire or in the postal questionnaire to improve the response rate, as it was not realistic to expect a high response rate to a postal questionnaire in Vietnam because of the poor public postal service. In addition, interviews were conducted outside the workplace or on-line in order to allow the staff members to feel comfortable about contributing honest input.

Conducting interviews on-line method was a relatively new method that has not been used widely in professional research. On-line interviews limited the opportunity to build rapport with interviewees; thus, this may limit the amount of information obtained. Moreover, the participants required to have a certain level of ITC literacy and be willing to engage in discussions on-line (Deakin and Wakefield, 2013, McCoyd and Kerson, 2006, Bampton and Cowton, 2002), which created difficulties when conducting interviews on-line.

However, recent studies showed that the quality of information collected via on-line interviews was as reliable as that collected via the traditional face-to-face method (Shapka et al., 2016, Deakin and Wakefield, 2013) and that the method had advantages for researchers such as saving time and costs, and allowing them to cover a wider geographical area (Deakin and Wakefield, 2013, McCoyd and Kerson, 2006, Bampton and Cowton, 2002).

According to the results of the pilot study, all participants preferred an on-line questionnaire to a paper-based questionnaire. In addition, the number of internet users in Vietnam has increased dramatically in the past decade, from 12.7% to 52.7%, according to the World Bank. Moreover, as all the XYZ Bakery stores were located in big cities and the staff members were generally young (under the age of 30, according to the pilot questionnaire and the HR manager), on-line interviews were chosen for this research.

All the questionnaire and interviews were conducted in Vietnamese, since the staff members have a limited level of English fluency. During the interviews, a Vietnamese interpreter accompanied the researcher in order to ask questions and to translate the answers simultaneously, while all communications were recorded and then translated into English for analysis.

DEF Café provided their annual employee questionnaire conducted in 2016 and 5 employees from ABC Café and DEF Café were conducted for triangulation. The interview participants were selected by convenient sampling from the author's personal network and recommended by the participants (snowball sampling).

The current study was based on case study method which brings an issue of generalizability since the sample size was limited and subjective. Yet, Yin (2013) emphasized that a case study can be used to develop a broader implication to the population as “analytic generalization”.

Yin (2013) emphasized that findings from a case study could be seen as a laboratory experiment that the finding can be generalised beyond the experiment (or case) to other cases and situations. To generalise the case findings, Yin suggested 1. a logical theory should be proposed based on literature, 2. There should be sound arguments – how the findings of case support or challenge the proposed theory (Mills et al., 2010). Also, the conclusion could be strengthened if there were other cases or situations support the case finding / theory (Mills et al., 2010).

To adapt ‘analytic generalization’ suggested by Yin, the current study proposed a formal theory in Chapter 4 (Section 4.2.5.) based on literature review (Chapter 3) and a pilot study

(Chapter 5). The proposed theory was tested and analysed through a case study (XYZ Bakery) and argued ‘how’ and ‘why’ the result supports or contradicts the theory based on questionnaires and interviews. Furthermore, to strengthen the generalised theory, two additional cases data (ABC Café and DEF Café) were collected and analysed to see if the primary case (XYZ Bakery) finding was applicable to other situations.

#### **4.4.2. Procedure**

##### **4.4.2.1. Questionnaire**

On the 5<sup>th</sup> of March 2017, a managing director of XYZ Bakery Vietnam was contacted in order for the author to explain the main questionnaire. The 46 questions were translated into Vietnamese by a translator because all the staff members were Vietnamese and did not speak English. Following this, the translated questions were uploaded onto [www.surveymonkey.com](http://www.surveymonkey.com).

A letter inviting applicants to participate in an on-line survey was also developed and was translated into Vietnamese (see Appendix 5). On the 29<sup>th</sup> of June 2017, 181 invitations to participate in the main study questionnaire were sent to all 15 XYZ Bakery Vietnam stores across Vietnam, and the staff members began to participate in the survey.

The letter of invitation also provided an option to participate in the survey via post in the event that any of the participants preferred a paper questionnaire.

To encourage the staff to participate, the letter of invitation promised to donate VND 50,000 (approximately USD 2.2) per response to UNICEF. In addition, text messages were sent to the participants to encourage them to complete the on-line questionnaire. The on-line survey was closed on the 6<sup>th</sup> of July 2017.

For ABC Café Vietnam, on the 26<sup>th</sup> of February 2017, an operations manager at ABC Café Vietnam was contacted in order for the author to explain the main questionnaire. The 45 questions were translated into Vietnamese by a translator because all the staff members were Vietnamese and did not speak English. Following this, the translated questions were uploaded onto [www.surveymonkey.com](http://www.surveymonkey.com).

A letter inviting applicants to participate in an on-line survey was also developed and was translated into Vietnamese (see Appendix 5). On the 29<sup>th</sup> of June 2017, 101 invitations to

participate in the main study questionnaire were sent to all 10 ABC Café Vietnam stores across Vietnam, and the staff members began to participate in the survey.

The letter of invitation also provided an option to participate in the survey via post in the event that any of the participants preferred a paper questionnaire.

To encourage the staff to participate, the letter of invitation promised to donate VND 50,000 (approximately USD 2.2) per response. In addition, text messages were sent to the participants to encourage them to complete the on-line questionnaire. The on-line survey was closed on the 6<sup>th</sup> of July 2017.

For DEF Café Vietnam, the annual employee survey conducted for the 2016 period was provided by DEF Café Vietnam. The questionnaire consisted of 54 questions to cover the variables on individual, team and organizational level, yet by different statements (See Appendix 8: DEF Café Measurement).

#### **4.4.2.2. Interview**

Of the staff members invited to complete the questionnaire, twenty-two staff members from XYZ Bakery Vietnam, five staff members from ABC Café Vietnam, and four former staff members from DEF Café Vietnam were sampled via the snowballing method and were invited to be interviewed. As there was an agreement with DEF Café Vietnam not to interview current staff members, former staff members were contacted for the interviews.

Since the staff members were mainly non-English speakers, a translator first contacted the participants by phone call and offered two options for the interview, the first being face-to-face and the second on-line via instant messaging or e-mail. All the participants requested to be interviewed via the on-line communication options. Zalo and Facebook Messenger were used for instant messaging.

The interviews were carried out in two different periods for the three companies. For XYZ Bakery Vietnam, the interviews were conducted from the 2nd of April 2016 to the 17th of June 2016. For ABE Café and DEF Café Vietnam, the interviews were conducted from the 29th of June 2017 to the 28th of August 2017.

## **4.5. Research Ethics**

The current research followed based on the Heriot-Watt Research Ethic Policy as below:

### ***4.5.1. Ethical principles***

#### **4.5.1.1. Prevention of harm**

The current research didn't involve any direct physical experiment. Some of the topics covered in questionnaire and interview might be sensitive such as sexual orientation and income level. To avoid this being an issue, the questions have been reviewed and approved by the supervisor and the director of the firms before the pilot and main study. They were asked as open-ended questions, and the researcher notified interviewees that any question during interview can be skipped or stopped anytime interviewees require.

#### **4.5.1.2. Informed consent**

Before the pilot and main study, participants were informed about the purpose of the research, methods and data confidentiality beforehand. The participants were explained that there would be any disadvantage by rejecting or accepting the research invitations. The confidentiality of the participants was also clearly communicated with the management of XYZ Bakery and ABC Café.

#### **4.5.1.3. Rights of participants**

During the pilot and main study, participants were asked to participate with their freewill and was able to withdraw anytime of the interview or questionnaire. For instances, For XYZ Bakery, 22 participants were interviewed, yet 9 of them wanted to stop the interview during the interview. Thus, the interviews were immediately stopped as the participants required. If any participant already finished an interview or questionnaire required to destroy the data, the data was not processed further and deleted immediately.

#### **4.5.1.4. Minimising risk with vulnerable participants**

The participants might be concerned if their identities could be revealed after participation. As there were few people on management levels it's relatively easier to potentially guess their identities even anonymised.

The participants' identities were kept in confidential at all time. No information was collected during the interview that possibly identify the participant e.g. name or ID number. The confidentiality of the research was clearly communicated to both the management and the participants, so they were not able to track down the source of information in the final report. Also, the primary data (questionnaire result and interview scripts) were shared with anyone but kept in the researcher's database (protected by passwords) only.

The protection of identities of participants were clearly communicated with the participants and the management of XYZ Bakery and ABC Café before the pilot and main study.

#### **4.5.1.5. Respect for participants**

The researcher respected participants by using appropriate language and appropriate manners based on general and Vietnamese culture before and after interview and questionnaire regardless of age, gender, position, race, etc. Different Vietnamese languages were used for different age group and positions according to the local culture. This was discussed clearly with the translators to ensure respect for all participants.

For examples, during the interview, polite and formal / polite languages were used in Vietnamese language and no offensive word nor threat made during the communication. When the participants wouldn't give further information during the interview, it was not further asked, but moved onto the next questions.

#### **4.5.1.6. Confidentiality**

The current research kept the identity of the case organizations and the participants anonymous. The confidential agreement between the researcher, the case organizations and the participants were clearly communicated before conducting any interview and questionnaire. The

general manager of DEF Café required to sign on the confidentiality agreement of the provided data set to the researcher, thus the researcher signed on the confidentiality agreement.

The raw data collected by interview and questionnaire was only kept in the researcher's database (protected by passwords) and shared with the supervisor when it's necessary. In the thesis, no personal and organizational identities was mentioned directly.

#### ***4.5.2. Ethical conduct***

##### **4.5.2.1. Reciprocity**

The current research aimed to understand the reasons for employee turnover in Vietnam F&B sector. The findings of the research would contribute to local businesses to lower cost of operations and increase employee satisfaction by reducing the turnover factors identified in the current research.

##### **4.5.2.2. Independence**

The current research did not have any sponsorship from the case organizations or anywhere else. It was fully independent from the case organizations (XYZ Bakery, ABC Café and DEF Café) to protect confidentiality of the participants and to keep neutrality of research design, process and result.

##### **4.5.2.3. Specified use of research funding**

The current research was financed independently by the researcher. No external contribution was used.

##### **4.5.2.4. Safe and secure data management**

Questionnaires were conducted mostly through online (surveyMonkey.com) and upon participants' request, there were mail questionnaires. The webserver (surveyMonkey.com) was only accessible by the researcher (protected by passwords) and the raw data was only saved in the researcher's PCs (protected by passwords). The raw data will be kept in the server and the

PCs as long as it's necessary for the peer review process. The raw data will be deleted after DBA Programme.

If any participant requires mail questionnaires, the research sent hard-copy through mail directly and would be collected in the researcher's house address to keep the sender's identity in confidential. The hard-copy would be kept in the researcher's private room at home. Yet, no participant required a hard-copy questionnaire.

Face-to-face and online interview were used for interview. Online interview was directly recorded to digital format (e.g. Microsoft Word) and stored in the researcher's PC. Face-to-face interview would be recorded in recorders (e.g. voice recorder) and then transferred to digital documents, but no participant required a face-to-face interview. Yet, no participant required a face-to-face interview. All data was password protected in the researcher's PCs and cloud servers (Microsoft OneDrive).

The data corrected was only partially shared with the research supervisor through EBS Student Web Portal where it's necessary for supervisory support.

#### ***4.5.3. Other ethic issues***

##### **4.5.3.1. Plagiarism**

The current research aimed to produce authentic contributions to the knowledgebase. All previous findings were reviewed through literature review and the works were properly cited and referred. No additional research support was provided nor sought except the supervisor assigned by Edinburgh Business School.

##### **4.5.3.2. Honesty and integrity**

The current research finding honestly treated the collected data without any exaggeration or manipulation. The raw data and work-in-progress report was continuously reviewed and communicated with the supervisor to avoid any potential misinterpretation.



#### **4.5.3.3. Correlations vs. causations**

The current research concerned both correlations and causations among various variables that affects employee turnover intention. To avoid false causations from correlations, a path-analysis, interviews and two additional cases were conducted. SmartPLS was used to develop a path model and the result of the path analysis and interview from the three cases were compared and contracted in Result and Discussion Section to validate the causations between dependent and independent variables through triangulation.

## **5. Main Study**

### **5.1. Questionnaire Result**

#### ***5.1.1. Introduction***

Both the pilot and main questionnaire were conducted based on the entire population at XYZ Bakery stores in Vietnam using the same measurements and during the same period. Accordingly, the two data sets were combined to increase the integrity of the data. In addition, the data from the three cases were merged into one data set to measure the factors identified in the pilot study.

Of the 655 employees, 354 (54.0%) responded to the questionnaires; 338 respondents (95.4%) completed the questions in full and 16 respondents (4.6%) finished the questionnaires in part. No employee requested a hard copy of the questionnaire.

#### ***5.1.2. Demography***

Of the respondents, 66.1% were female and 33.9% were male. The gender ratio was consistent with the overall population ratio in the three cases (1:2, males to females); 79.3% of the respondents were under the age of 25 and 16.8% were between the ages of 26 and 30. Furthermore, 96.0% were under the age of 30, and only 4.0% were 31 years' old or older, while 86.8% of the respondents were single and 10.3% of them were married, in a domestic relationship or civil union. There were more single respondents from ABC Café than there were from XYZ Bakery.

**Table 27: Demography A**

<b>Gender</b>	<b>Response Count</b>	<b>Response Percent</b>
Female	115	66.1%
Male	59	33.9%
<b>Age</b>		
Less than 20 years old	54	15.3%
20 to 25 years old	225	63.9%
26 to 30 years old	59	16.8%
31 to 40 years old	14	4.0%
<b>Relationship status</b>		
Single	151	86.8%
Married	14	8.0%
Widowed	1	0.6%
Divorced	3	1.7%
Separated	1	0.6%
In a domestic relationship or civil union	4	2.3%

*\*Detailed description for each case available in Appendix 24*

Of the respondents, 37.4% were from Ho Chi Minh City (HCMC) and most were from urban areas (in other words, Ho Chi Minh City and Hanoi – the two biggest cities in Vietnam, 42.0%). Since more than 90% of the stores from the three case studies were located in HCMC, the numbers showed a quite a large percentage of the employees came from other regions to work in HCMC.

The respondents were mainly homogenous with regard to race, with Kinh accounting for 95.4% and only 3.4% consisting of Chinese-Vietnamese (Hoa). Vietnam consists of 54 ethnic groups and Kinh is the major ethnicity (87% of population). However, Kinh dominates major cities such as HCMC and Hanoi and the other 53 ethnic minorities – approximately eight million people who live in rural area. Thus, the response ratio of Kinh was reasonable to accept for further analysis.

**Table 28: Demography B**

<b>Hometown</b>	<b>Response Count</b>	<b>Response Percent</b>
Ho Chi Minh city	65	37.4%
Ha Noi	8	4.6%
Ba Ria - Vung Tau	12	6.9%
Tay Ninh	4	2.3%
Lam Dong	4	2.3%
Dong Nai	16	9.2%
Vinh Long	4	2.3%
Dong Thap	4	2.3%
Others	57	32.7%
<b>Race</b>		
Kinh	166	95.4%
Hoa	6	3.4%
Thai	1	0.6%
Tay	1	0.6%

Of the respondents, 97.7% had at least a high school diploma, 29.9% had studied at a college / vocational school after high school, and 36.2% had a bachelor's degree or higher. The majority (51.8%) had worked at the company for less than one year and only 23.9% of them had worked at the company for longer than two years, while 33.8% of the respondents had supervisory or management roles and 66.2% were non-managerial staff members. The majority of the respondents (76.4%) worked flexible shifts.

**Table 29: Demography C**

<b>Education level</b>	<b>Response Count</b>	<b>Response Percent</b>
Secondary school	4	2.3%
High school/ vocational high school	54	31.0%
College diploma/ Vocational college diploma	52	29.9%
Undergraduate degree	63	36.2%
Post graduate	1	0.6%
<b>Job role</b>		
Manager	37	10.4%
Supervisor	83	23.4%
Non-managerial	235	66.2%
<b>Length of service</b>		
3 months to less than half a year	91	25.6%
Half a year to less than 1 year	93	26.2%
1 to less than 2 years	86	24.2%
2 years or more	85	23.9%
<b>Shift</b>		
Morning	36	20.7%
Afternoon	0	0.0%
Night	5	2.9%
Flexible	133	76.4%

### **5.1.3. Turnover Intention**

According to the questionnaires, 18.9% of the respondents had a high intention of leaving their current jobs, 42.6% had a medium turnover intention and 38.5% had a low intention to leave. Among the employees with high turnover intention, 34.1% were male and 65.9% were female. The majority (81.2%) of the high turnover respondents were 25 years' old or younger, while none them was 31 years' old or older; 86.4% of them were single and 6.8% were married. In addition, the majority the respondents were from HCMC (36.4%) and of the Kinh ethnic group (98.4%)

**Table 30: Turnover Intention**

<b>Turnover Intention</b>	<b>Response Count</b>	<b>Response Percent</b>
Low	130	38.5%
Medium	144	42.6%
High	64	18.9%

Of the respondents, 45.5% had a high school diploma or vocational education or higher education (54.6%). In addition, 45.4% of the respondents had worked at their job for one year or less, while 28.1% of them had worked there for longer than two years.

**Table 31: Turnover Demography A (High Turnover Intention)**

<b>Gender*</b>	<b>Response Count</b>	<b>Response Percent</b>
Female	29	65.9%
Male	15	34.1%
<b>Age</b>		
Less than 20 years old	5	7.8%
20 to 25 years old	47	73.4%
26 to 30 years old	12	18.8%
31 to 40 years old	0	0.0%
<b>Relationship status*</b>		
Single	38	86.4%
Married	3	6.8%
Widowed	1	2.3%
Divorced	0	0.0%
Separated	0	0.0%
In a domestic relationship or civil union	2	4.5%
<b>Hometown*</b>		
Ho Chi Minh city	16	36.4%
Dong Nai	4	9.1%
Ha Noi	3	6.8%
Ba Ria - Vung Tau	3	6.8%
Tay Ninh	3	6.8%
Others	15	34.1%
<b>Race*</b>		
Kinh	63	98.4%
Hoa	1	1.6%

*\*DEF Café data for Gender, Relationship Status, Hometown, Race are not available.*

Of the staff members with high turnover intention, 30.1% had a supervisory or managerial role in the three organisations and 69.9% were non-managerial staff members. The majority of the staff worked flexible shifts.

**Table 32: Turnover Demography B**

<b>Education level*</b>	<b>Response Count</b>	<b>Response Percent</b>
Secondary school	0	0.0%
High school/ vocational high school	20	45.5%
College diploma/ Vocational college diploma	15	34.1%
Undergraduate degree	9	20.5%
Post graduate	0	0.0%
<b>Length of service</b>		
3 months to less than half a year	9	14.1%
Half a year to less than 1 year	20	31.3%
1 to less than 2 years	17	26.6%
2 years or more	18	28.1%
<b>Job role</b>		
Manager	7	10.9%
Supervisor	18	28.1%
Non-managerial	39	60.9%
<b>Shift*</b>		
Morning	11	25.0%
Afternoon	0	0.0%
Night	0	0.0%
Flexible	33	75.0%

*\*DEF Café data for Education Level, Shift are not available.*

#### **5.1.4. Correlations Analysis:**

For the main questionnaire, 21 variables were analysed for the correlation analysis. The 14 variables that were rejected in the pilot study were excluded, but all the variables for the team level were included to avoid statistical errors.

Of the three categories (individual, team and organisational factors), the variables for the organisational factors showed the strongest connection to turnover intention, as the 13 variables were statistically significant for turnover intention (see Table 33 and Appendix 9). In particular,

strong correlations were seen in the work environment (-0.629), communication (-0.623), salary / benefit / incentives (-0.641), promotion / development (-0.634), performance appraisal (-0.634) and justice (-0.642). On the other hand, only job design / flexibility (-0.464) and ‘customer centeredness’ (-0.444) indicated relatively lower correlations.

**Table 33: Coefficient Summary**

<b>Turnover Factor</b>	<b>Code</b>	<b>Category</b>	<b>Coefficient</b>
Job Satisfaction	F10	Individual	-.678**
Justice	F34	Organizational	-.642**
Salary, Benefit, Incentive	F30	Organizational	-.641**
Promotion, Development	F31	Organizational	-.634**
Performance Appraisal	F32	Organizational	-.634**
Work Environment	F22	Organizational	-.629**
Communication	F24	Organizational	-.623**
Culture / Socialization	F25	Organizational	-.606**
Training	F33	Organizational	-.595**
Organizational Commitment	F14	Individual	-.588**
Management Support	F23	Organizational	-.584**
Ethic	F35	Organizational	-.558**
Intrinsic Motivation	F11	Individual	-.532**
Job Security	F28	Organizational	-.520**
Job Performance	F9	Individual	-.512**
Subjective Norms	F13	Individual	.490**
Job Design / Flexibility	F26	Organizational	-.464**
Customer Centeredness	F36	Organizational	-.444**
Coworker Emotional Support	F19	Team	-.402**
Relationship Quality	F18	Team	-.369**
Coworker Instrumental Support	F20	Team	-.323**

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

At the individual level, job satisfaction showed the highest level of coefficients (-0.678), which was expected, because it indicated that the more satisfied employees tended to have lower level of turnover intention. Job satisfaction was the highest coefficient among the 21 independent variables.



The other factors at the individual level, such as subjective norms (0.490), organisational commitment (-0.588), job performance (-0.512) and intrinsic motivation (-0.532) had a significant level of correlation with turnover intention. In particular, the strong correlation with organisational commitment was consistent with the previous findings.

Lastly, on the team level, the three factors tested were relationship quality, co-workers' emotional support and co-workers' instrumental support, and indicated statistical evidence that there were correlations with turnover intention, but at relatively weak levels, with -0.369, -0.402 and -0.323, respectively.

#### **5.1.4.1. Conclusion:**

The correlation analysis indicated that the variables identified in the previous literature were mainly confirmed by the current study. In particular, the factors listed under organisational level suggested strong statistical evidence that various organisational offers influenced employees' turnover decisions. On the other hand, the turnover variables listed under team level did not show strong statistical evidence when compared to organisational and individual level, though there was still statistical support. The weaker coefficients for team-related variables also suggested a weaker association with turnover intention.

#### **5.1.5. Three-Level Analysis**

##### **5.1.5.1. Cronbach's Alpha:**

Before running a path analysis, Cronbach's alpha was used to check the internal consistencies of the variables at each level (that is, IF, TF and OF).

The individual level of analysis that consisted of five variables (job satisfaction, organisational commitment, intrinsic motivation, and so on) indicated a high level of internal consistency (0.675). According to DeVellis (2016) and Kline (2015), a questionnaire is considered to be 'consistent' if the alpha is 0.7 or higher. Furthermore, no item increased the alpha significantly when eliminated (see Appendix 10: Cronbach's Alpha). Thus, the items developed for the individual factor were deemed reliable for further path analysis.

**Table 34: Reliability Statistics**

<b>Factor Level</b>	<b>Cronbach's Alpha</b>	<b>Cronbach's Alpha Based on Standardized Items</b>	<b>N of Items</b>
Individual	.675	.675	5
Team	.867	.868	3
Organizational	.933	.935	13

With regard to the team level, three organisational-related variables were identified (relationship quality, co-workers' emotional support and co-workers' instrumental support) as potentially significant turnover factors. The result indicated a high internal consistency (0.867) with a Cronbach's alpha of 0.867. No item increased the alpha significantly when eliminated (see Appendix 10: Cronbach's Alpha).

For the level of organisational analysis, 13 organisationally related variables were identified (work environment, management support, communication, and so on) as significant turnover factors. The result indicated a high internal consistency according to the Cronbach's alpha. No item increased the alpha significantly when eliminated (see Appendix 10: Cronbach's Alpha).

Since the items in each level indicated a high level of internal consistency, the data set was sufficiently reliable to run a further analysis of the three levels (the individual, team and organisational levels).

#### **5.1.5.2. Spearman's Correlation:**

To understand how the organisation and team-related factors interacted with the individual level and each other, a Spearman's correlation was run for the 21 factors that indicated moderate and high levels of correlation coefficients grouped according to four constructs - individual (IF), organisational (OF), team (TF) and turnover intention (TI), as shown in Table 35.

**Table 35: Correlations on Three-Level**

	TI	IF	TF	OF
TI	1.000	-.606**	-.397**	-.564**
IF	-.606**	1.000	.353**	.679**
TF	-.397**	.353**	1.000	.256**
OF	-.564**	.679**	.256**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

All three levels (individual, team and organisation) showed statistically significant correlations with turnover intention. The individual level indicated the strongest correlation (-0.606) with turnover intention and the team factor showed a lower level of prediction (-0.397). There were also statistically significant correlations among the three levels. In particular, the connection between organisational and individual levels was significantly high (-0.679), while there were weaker correlations between TF-IF (0.353) and TF-OF (0.256).

The coefficients suggested there were correlations among the three levels, as well as certain paths proposed by the initial model (Figure 1 and Table 36). In particular, the factors for the organisational level had a significant influence on the individual level, causing a significant result for HRM's effectiveness. The coefficients suggested that the impact of the team factor on turnover intention is relatively weak for both direct and indirect paths.

**Table 36: Coefficients for the Proposed Paths**

Path	Coefficient
Team → Organizational	.256**
Team → Individual	.353**
Organizational → Individual	.679**
Organizational → Turnover intention	-.564**
Team → Turnover intention	-.397**
Individual → Turnover intention	-.606**

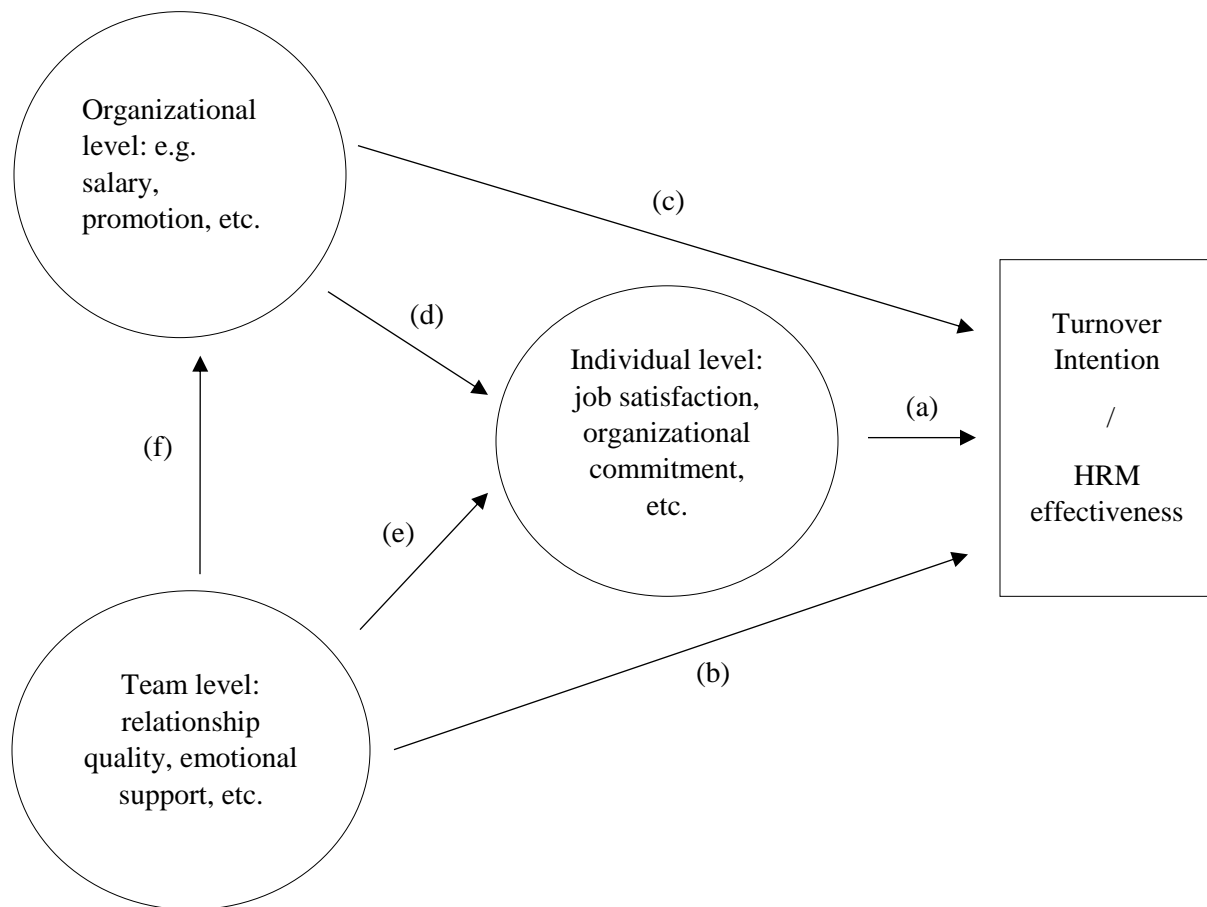
\*\**Correlation is significant at the 0.01 level (2-tailed)*

\**Correlation is significant at the 0.05 level (2-tailed)*

### 5.1.6. Path Analysis

A formative measurement model was run in Smart PLS for the current study's path analysis to test the path developed in the initial model (Figure 1). The current study consisted of four constructs (IF: individual factor, TF: team factor, OF: organisational factor and TI: turnover intention) and twenty-one indicators (turnover factors that were measured via the questionnaires). There were casual relationships between the indicators and the constructs, and the combination of the indicators explains the constructs. In addition, the constructs were consequences of the indicators and the dedicators were not interchangeable. For these reasons, a formative measurement model was appropriate for the current study (Hair Jr et al., 2016).

**Figure 1. Initial Model:**



#### 5.1.6.1. Evaluation of the Formative Measurement Model

With regard to a formative measurement model, Hair Jr et al. (2016) suggested three possible steps to assess. These are convergent validity, collinearity issues and the significance and relevance of the formative indicator. In the current study's measurement, no global item was asked in the questionnaire. For this reason, the convergent validity check was omitted.

To check *Collinearity Issue*, the initial path analysis measurement model consisted of four constructs (the individual-related factor, team-related factor, organisational-related factor and turnover intention) and twenty indicators that were the factors in the three levels and turnover intention to measure each construct. Seven indicators were eliminated following the previous correlation analysis due to the lack of association with turnover intention. The outer variance inflation factor (VIF) score was measured and presented in Appendix 11: Outer VIF Values. The table indicates that there were VIF values above five for F31 and F32. However, since there was support in the literature for measuring different indicators for promotion opportunity (F31) and performance appraisal (F32), these two factors were retained for the further path analysis.

To check *Significance and Relevance of the Formative Indicator* and to measure the data reliability of the PSL path model, bootstrapping was run to measure the significance and relevance of the formative indicator. Five thousand random samples were drawn from the original data set with replacement and the results were computed in a table (See Appendix 12: Outer Weights by Bootstrapping). The t-value results showed that F20, F24, F25, F32, F33, F34, F35 and F36 indicated potential issues regarding the significance of the indicators, since the t-values were lower than 1.96 (at a significance level of 5%; two-tailed test). Hair Jr et al. (2016) suggested checking outer loadings when outer weights were not significant. The outer loadings were checked for F20, F24, F25, F32, F33, F34, F35 and F36, as the table in Appendix 13: Outer Loadings.

The outer loadings for F20, F24, F25, F32, F33, F34, F35 and F36 were higher than 0.5. Hair Jr et al. (2016) suggested that, for outer loadings higher than 0.5, the indicators are considered to be important, although not statistically significant. For this reason, the indicators were retained for the constructs.

To conclude, Internal validity and reliability issues were checked via VIF, outer weight and outer loading for the formative model. The analysis of VIF, outer weight and outer loading indicated that the data set was sufficiently reliable to run the current path analysis using Smart PLS.

#### **5.1.6.2. Evaluation of The Structural Model**

The results of the path analysis model were measured by different indicators including path coefficient, coefficient of determinations ( $R^2$ ), t-value, effect size ( $f^2$ ), predictive relevance ( $Q^2$ ) and effect size ( $q^2$ ).

For the Structural Model Path Coefficients, the path coefficients generated by Smart PLS indicated that there was a strong path from organisational factors (OF) to individual factors (IF) (0.832). Furthermore, there were clear paths from team factors (TF) to organisational factors (0.520), individual factors to turnover intention (TI, -0.384) and organisational factors to turnover intention (-0.391). However, the causation correlation between team factors and individual factors (0.052) and team factors and turnover intention (-0.013) were relatively weak.

Figure 2: Path Coefficient

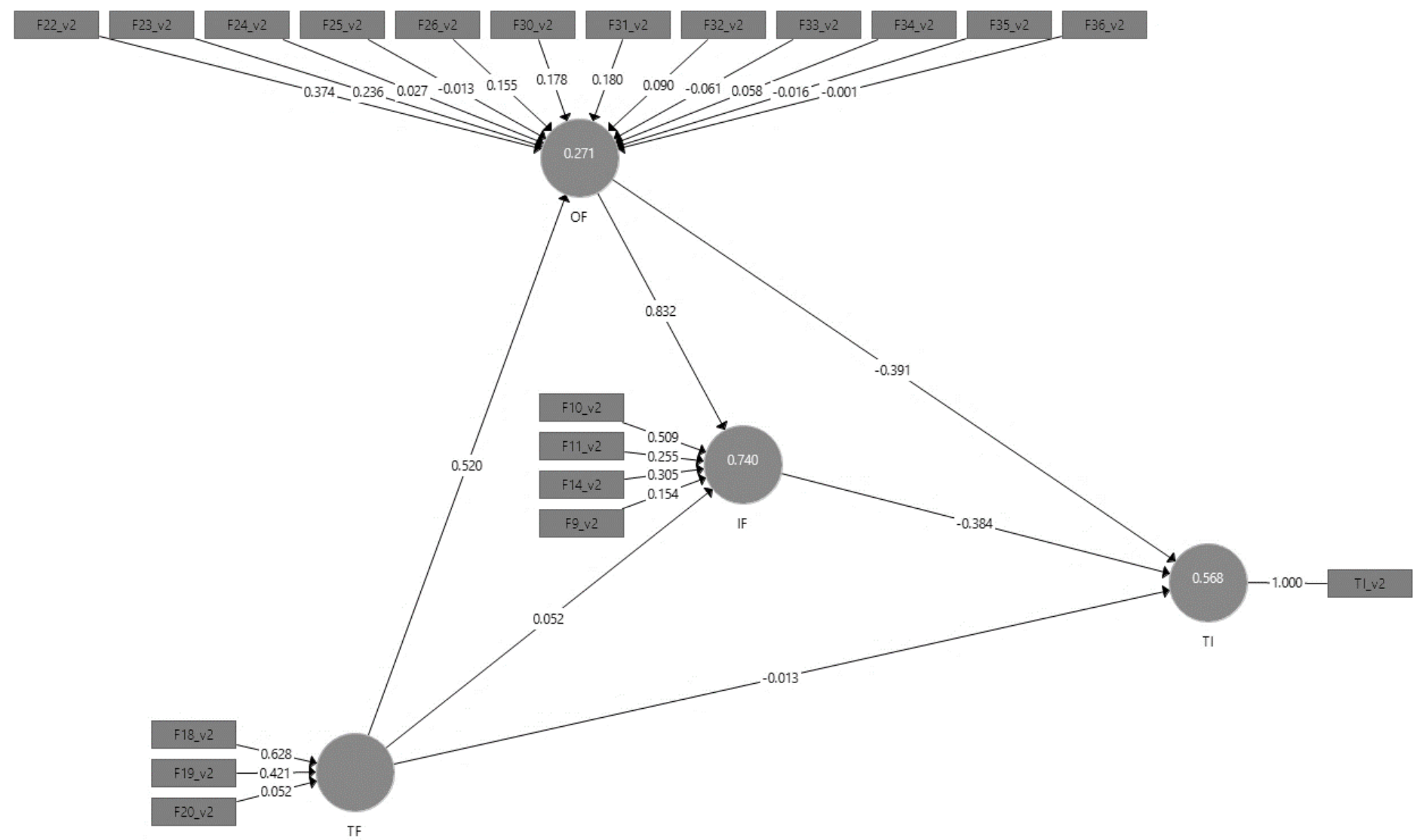
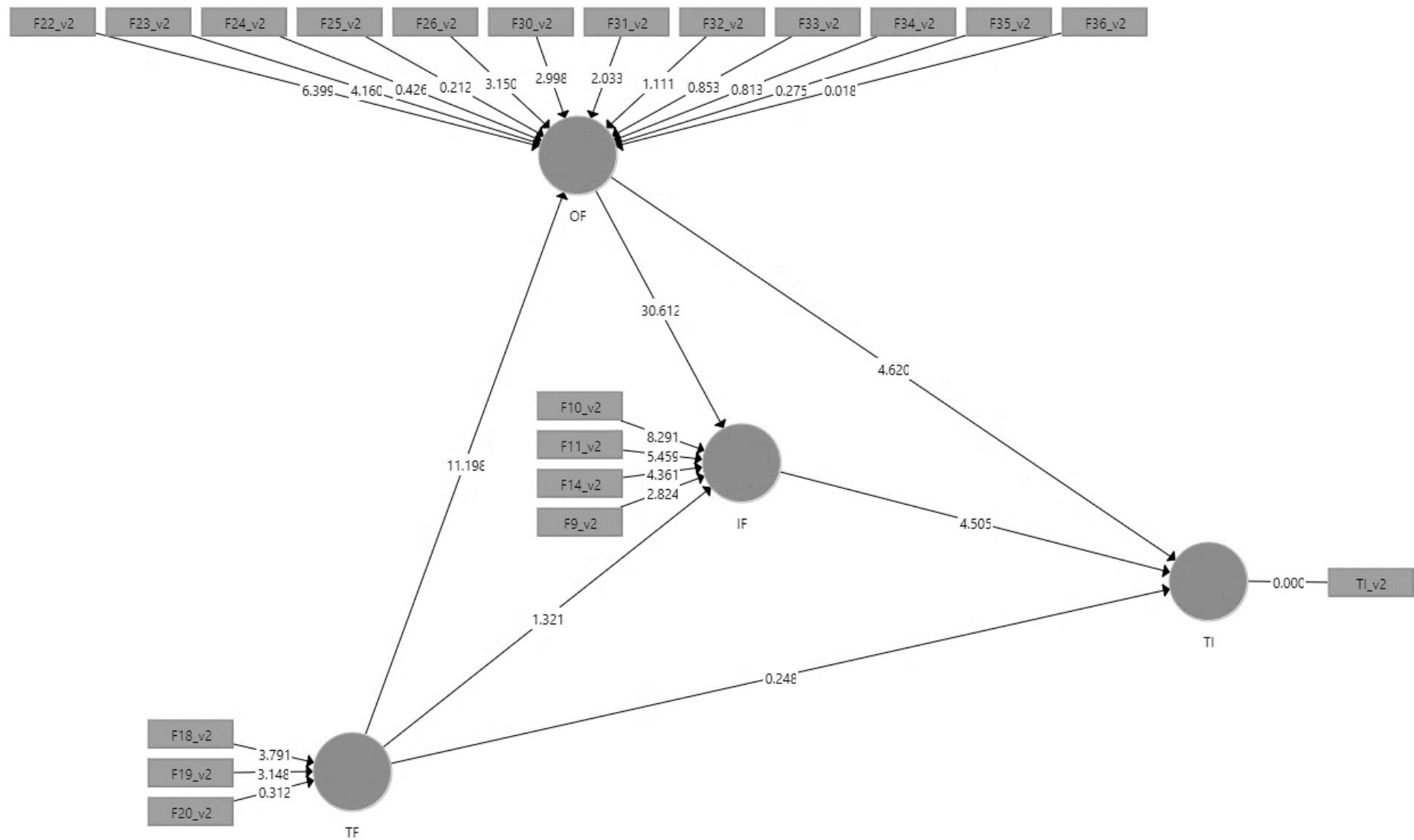


Figure 3: T-value for the Paths by Bootstrapping





In addition, t-values for the path coefficient showed there was statistical evidence for the paths for OF→IF (30.61), OF→TI (4.62), TF→OF (11.19), and IF→TI (4.50) at a significance level = 1% for the two-tailed test. However, there was weak statistical evidence for the TF→IF path (1.32) and the TF→TI path (0.248).

For Coefficient of Determination ( $R^2$ ), according to the  $R^2$  values for OF (0.271), IF (0.740) and TI (0.568), IF and TI were predictive for the exogenous latent variable to endogenous latent variables. Hair Jr et al. (2016) suggested that 0.25, 0.5 and 0.75 of  $R^2$  values indicate weak, moderate and substantial prediction of endogenous latent variables, respectively. Accordingly, the  $R^2$  of the OF indicated that TF did not have strong predictive power with regard to OF.

In regard to Effect Size  $f^2$ , effect size  $f^2$  was measured as shown in the following table.

*Table 37: f Square*

	IF	OF	TF	TI
IF				0.089
OF	1.939			0.088
TF	0.008	0.371		0.000
TI				

The result showed that the OF→IF path had a strong impact (1.939) on the model when it was omitted. The TF→OF (0.371) path also indicated having a medium-level effect on the model (Hair Jr et al., 2016). On the other hand, IF→TI (0.089) and OF→TI (0.088) showed a low level of effect on the model, while the TF→IF (0.000) path indicated a very weak impact when it was omitted.

Concerning Blindfolding and Predictive Relevance  $Q^2$ , an out-of-sample predictive measure -  $Q^2$  was applied to measure predictive relevance between variables. The  $Q^2$  score was calculated via a blindfolding procedure (selecting samples based on the omission of every  $d$ th data point) that was applied to measure the out-of-sample predictive power of the structural model. For the current study,  $D=7$  (omission distance) was used, and the following results were generated:

**Table 38: Construct Crossvalidated Redundancy**

	SSO	SSE	$Q^2 (=1-SSE/SSO)$
IF	1,424.000	823.297	0.422
OF	4,272.000	3,716.783	0.130
TF	1,068.000	1,068.000	
TI	356.000	165.727	0.534

When the  $Q^2$  score is higher than 0, it suggested that the structural model has predictive relevance for a certain endogenous construct (Hair Jr et al., 2016). The result showed that the all constructs (IF, OF and TI) were predictable based on the model, since all the  $Q^2$  scores were above 0.

In addition, Effect Size  $q^2$  was also measured. based on the  $Q^2$  values, the relative impact of predictive relevance was measured by  $q^2$ . The  $q^2$  was calculated manually by running blindfolding without each construct, as suggested by Hair Jr et al. (2016). The result is summarised as following:

**Table 39: Effect Size  $q$  Square**

	IF	OF	TF	TI
IF				0.112
OF	0.547			0.101
TF	0.030			-0.015

The  $q^2$  values indicated that  $OF \rightarrow IF$  suggested a high degree of predictive relevance, and the  $OF \rightarrow TI$  (0.101) and  $IF \rightarrow TI$  (0.112) paths had a medium level of predictive relevance, while  $TF \rightarrow IF$  (0.030) and  $TF \rightarrow TI$  (-0.015) had very weak predictive relevance in the model (Hair Jr et al., 2016).

### **5.1.6.3. Conclusion**

The results from the path analysis indicated that there were clear paths for  $TF \rightarrow OF$ ,  $OF \rightarrow IF$ ,  $OF \rightarrow TI$  and  $IF \rightarrow TI$ . In particular, the path from OF to IF was the strongest among all the proposed paths, while the paths for  $OF \rightarrow TI$  and  $IF \rightarrow TI$  were relatively weak. In addition, the path analysis results indicated weak statistical evidence for the  $TF \rightarrow IF$  and  $TF \rightarrow TI$  paths.

### ***5.1.7. Conclusion for Quantitative Analysis***

The quantitative analyses concluded the predetermined turnover variables from the pilot study were mostly valid turnover predictors for the current study as well. However, the variables under team level indicated weak associations to the turnover intention. In addition, the path analysis suggested the team variables do not directly predict the turnover intention, yet indirectly influenced employee turnover through the organizational level.

## **5.2. Interview Analysis**

To put in context and explore turnover intention, as well as potentially triangulate the results of the correlation analysis and the path analysis, semi-structured interviews were conducted with twenty-two staff members from XYZ Bakery.

### ***5.2.1. Demography***

In total, 32 staff members participated in the interviews. Of the participants, 35% were male and 65% were female, 58.3% were under the age of 24 and no participant was older than 28, 91.6% were single and were of the Kinh ethnic group. Most of the interviewees were full-time employees (86.2%). Due to the confidentiality agreement with the participants, some basic demographic information was not collected, as seen in the table (Appendix 14: Interviewee Demography):

## ***5.2.2. Context, Exploration and Triangulation from Interviews***

### **5.2.2.1. Direct Paths to Turnover Intention:**

During the interviews, various turnover reasons were mentioned for the three levels as follows. The data were sorted and analysed to understand which factors had a direct influence on employees' turnover intentions.

#### ***5.2.2.1.1. Salary / Payroll issue***

The interviewees often pointed out that they would leave (or consider leaving) the company due to salary issues. For example, Respondent 1 stated that the salary and incentive were not very competitive:

*"...my basic salary is just above the state minimum wage (about 154 USD per month). This salary is not even enough to cover my living cost. Also, their incentive is almost nothing. I may get additional pay for working night shift, but it's very tiring physically."*

Some interviewees who did not have clear intentions to remain at or leave their current jobs mentioned that they would stay in the job longer if the company were to pay better salaries and offer other benefits; as Respondent 10 stated:

*"...I'm not quite sure if I want to get a new job, but I would stay in this job longer if the company provides better compensations."*

Respondent 4 also mentioned that the current salary at XYZ Bakery was lower than it was at other major competitors in the market. Accordingly, Respondent 4 noted having seen some former staff members resign to take up better offers.

Some other respondents added that their pay for working overtime was not calculated accurately. Respondent 22 explained:

*"...when staffs work overtime, the record reported to the store manager. But, the actual salary is not accurate. Sometimes the pay is lower than what I reported, sometimes it is even more than reported. This issue has been complained many times, but the management didn't try to bring any clear solution."*

#### **5.2.2.1.2. Career Development Plan**

According to Respondent 2, college students often worked as part-time employees in the sales team, and they often quit their jobs when it is difficult for them to maintain their study schedules or to find a new career that is consistent with their study major. Respondent 9 also mentioned:

*“...I intend to work this job until next year since that’s the time I will finish my degree. My major is tourism and hospitality, so I would work for hotels or other tourism-related jobs after graduation”*

The other respondent added she / he may consider leaving his/her current job to learn professional baking skills to develop his/her long-term career.

#### **5.2.2.1.3. Management support / relationship quality**

Respondent 9 provided some examples of how she / he felt there was lack of management support at the job. Respondent 9 explained:

*“...as a cashier, in our job, time to time we miscalculate the number of cakes and other products, so at the end of the day, there are mismatches between stock levels and the total sales. In that case, we are responsible for compensating for the loss. Sometimes, the store manager supports for the compensation, but most of time sales staffs have to cover for the loss. Somehow this isn’t fair since actual products were not really lost, but it’s just miscalculation.”*

The heavy workload was also pointed out by Respondent 21, as there was no appropriate additional staffing of arrangements to reduce the workload, even though the staff had complained to the store manager.

Respondent 12 suggested different points that she / he felt indicated that there was no proper management to support to perform the job. Respondent 12 added:

*“...in some cases, the company or the store manager gives me a heavy workload without proper support (staffs, time, scheduling, or resources) and compensation. In addition, if I didn’t do the job well without proper support, I even got negative evaluation from managers.”*

During the interviews, most of the respondents showed satisfaction with the relationship quality with their colleagues at the peer level. However, as Respondent 12, some respondents expressed concern about their supervisory leadership related to management support, which reduced job satisfaction and increased the intention to resign from the job.

#### **5.2.2.1.4. Communication**

During the interviews with the 22 participants, they often said they did not really have any opportunity to talk to the headquarters directly and that no proper channel had been developed for company-wide communication. Communication often occurred via store managers, but the amount of information communicated was unsatisfactory, and this was mentioned as a turnover reason by Respondent 20:

*“...the headquarters often changes operating policies and procedures, yet we are not properly informed. Yet, if we don’t properly conduct our job by following the new policies and procedures, we are the ones blamed by the company.”*

Respondent 10 added that the higher level of corporate planning was weak, inconsistent and not communicable to the lower level. This created confusion among the store-level operations and created higher turnover intentions.

#### **5.2.2.1.5. Training / relationship quality**

Respondent 1 had very low job satisfaction due to the relationship quality and training issues. As the participant was a newly recruited baker (having worked for less than three months), she / he was still being trained for the job. However, Respondent 1 complained that there was no proper training due relationship issues:

*“...in XYZ Bakery, we often get trained through ‘mentoring programme’. The company assigned a mentor for me when I was hired, so I learn baking skill from the mentor. Yet, my*

*mentor is not willing to teach me proper skills to do my job. If I ask more question to the mentor, he got annoyed and didn't really give proper lesson for me. For this reason, I even had to learn by myself from other friends working in another bakery."*

This point was also confirmed by Respondent 12, who stated that the relationship quality had an impact on the quality of training:

*"...if the baking staff doesn't maintain a good relationship with the mentor, it's difficult to get proper training. Also, some senior bakers (worked as mentors) are not very supportive, but often aggressive to new staffs. This creates ineffective training practices in the kitchen."*

#### **5.2.2.1.6. Performance Appraisal / Justice**

In general, the respondents were not aware of clear performance evaluation standards for their jobs. However, some respondents felt that performance evaluation was conducted fairly. Respondent 9 explained:

*"...some staffs work harder the others for extensive work responsibilities. Yet, the compensation / evaluation doesn't really reflect the sacrifice (contribution), just pay same level of salary. This practice discourages my staffs causing higher employee turnover."*

#### **5.2.2.1.7. Promotion**

The participants mentioned that there were limited promotion opportunities at XYZ Bakery. Respondent 9 clarified:

*"...in sales team, non-managerial staffs might be able to be promoted to shift leader or store manager. Yet, the opportunities are limited and the additional benefits after promotion are not very competitive. Thus, it discourages people from staying in the job longer."*

#### **5.2.2.1.8. Job Stress**

The respondents expressed different reasons for their job stress according to the team in which they worked. The staff members in the kitchen team often mentioned that the mentoring

relationship or extensive working hours created job stress. On the other hand, the sales team often pointed out that pressure from customers and the headquarters caused job stress. For example, Respondent 9 stated:

*“...dealing with a lot of customers in a busy store is challenging. There are a lot of complaints and demands from customers that put pressure on me. Also, the sales staffs need to deliver various reports to the headquarters that puts more job pressure on me.”*

Besides, Respondent 12 mentioned her / his workload was quite heavy compared to her / his pay level. She / he wouldn't mind the high workload as long as the pay is higher to compensate her / his job stress.

#### **5.2.2.1.9. Intrinsic motivation**

According to Respondent 10, some staff members just wanted work at XYZ Bakery because they enjoyed baking. These people were not really concerned about the salary level and other benefits. However, when they felt they had nothing more to learn, they left after only a few weeks. Similarly, Respondent 13 stated that he / she often witnessed young staff members applying for the baking team due to their passion in baking, and these people were less concerned about compensations. He / she added that once they had learnt all the necessary skills, they tended to leave after the training period.

#### **5.2.2.1.10. Job satisfaction and Organizational commitment**

During the interviews, the respondents who expressed an intention to leave their jobs gave the reasons introduced above. Furthermore, during the communication, they often expressed dissatisfaction with their jobs and poor commitment to the company. Further analysis of job satisfaction and organisational commitment will be continued in later sections.

The overall interview results showed that various factors on the three levels were direct causes of higher turnover intentions. The following section investigated how the turnover factors impacted indirectly on turnover intention.



#### **5.2.2.1.11. Subjective norm and kinship responsibility**

Respondent 6 commented that her / his parents were important in his/her career decisions, and their opinion regarding whether she/he had a good job mattered, although other respondents mentioned that other people's opinions did not influence their career decisions. Respondent 10 stated that some young staff members had left because their parents had forced them to get new jobs. In addition, some respondents who had more financial responsibilities for their families expressed more concerns about their salaries.

#### **5.2.2.2. Indirect Paths to Turnover Intention:**

The following qualitative data were collected and analysed to understand the indirect reasons that influenced employees' turnover intentions based on the OF → IF, TF → OF and TF → IF paths.

##### **5.2.2.2.1. Organisational → Individual Factors:**

Job satisfaction was often mentioned during the interviews, and a wide range of reasons influencing the level of job satisfaction were suggested. In particular, the participants often mentioned salary, other benefits and the workload as reducing the level of job satisfaction.

With regard to the benefits and compensation, Respondent 3 stated:

*“According to the company policy, insurance and holiday bonus should be provided from the company, yet I'm still paying for my insurance and there was no bonus during the holiday season. The bonus was based on the store manager's evaluation rather than universal reward. Also, the basic salary is too low for my hard work and the company often makes mistake when calculating overtime pay.”*

This comment shows the salary issues originated from the heavy workload and overtime pay. The inaccurate pay for overtime work was mentioned again during the interview with Respondent 9. Respondent 21 provided a more detailed explanation of the workload and overtime pay:

*“... Since Store 7 is a main kitchen providing general products to the other stores, as a cashier I have to work extensively to other works for example cutting toast to distribute to other stores... yet the number of staffs in the store isn't enough for the heavy workload causing overtime work. However, we didn't get properly get paid for the overtime work.”*

Respondent 14 also made similar comments about inaccurate overtime pay and the heavy workload during the national holidays. Respondent 3 and Respondent 6 added that the level of incentive based on the monthly target was not satisfactory, and that was not enough for the entry level staff to live on since the basic salary was just the legal minimum wage. Respondent 10 and Respondent 11 also commented that the salary increase was insignificant and was not linked to experience and the contribution to the company, which decreased job satisfaction the longer one worked at the job. Respondent 1 also added that, as a worker who had relocated from a rural area, she / he felt that the salary was not sufficient to meet living costs. Respondent 1 stated:

*“...I came from the countryside to work in the city, so I need to pay rent and spend more on foods compared to the staffs living with their family. So, I feel the current salary isn't really enough for me.”*

Respondent 20 also confirmed that the heavy workload caused low satisfaction, but that there was no proper recruitment to cover the additional work. The lack of proper managerial support was also mentioned by Respondent 3, who stated that the company was not particularly responsive when there were some issues with job contract. Respondent 4 added how the lack of communication affected job satisfaction:

*“...I have to make a daily sales report to the headquarters, yet sometimes the headquarters asks me to send the same report again. I don't even know why I have to build up the report and the headquarters doesn't clearly explain me the purpose of the daily report.”*

The unclear communication that also occurred regarding performance evaluation was another reason for lower job satisfaction. As Respondent 2 pointed out:

*“...I don’t think performance evaluation is fairly conducted and openly communicated. It’s hard to know why someone gets more bonus and promoted on what standards...I also cannot really talk to the higher-level managers when I have some issues.”*

Respondent 20 stated that the lack of clear communication from the headquarters originated from the lack of coordination among senior executives. Accordingly, corporate planning and goals were not consistent and were confusing for the lower levels.

Respondent 7 added that performance evaluation was usually informal and was conducted via face-to-face conversations, although some other respondents said they received their evaluations via email. Overall, the respondents often commented that the performance evaluation was not standardised or fair, which also decreased job satisfaction.

Furthermore, the respondents often commented that how promotion decisions were made and the standards that were applied were unclear. Moreover, the staff members did not really see any clear paths to promotion to a higher level.

Some respondents stated the importance of management support to provide a flexible working schedule. Respondent 9 commented:

*“...the company arranges my working hours based on my class schedule. For this reason, I don’t experience pressure in my work and study.”*

Since there were more student part-timers in sales team, the support for flexible working hour was often mentioned as a satisfying factor, while the kitchen team had more negative comments about their work-life balance due to the heavy workload.

Some other respondents explained that the poor working condition, such as the heavy workload and insufficient salary did not encourage them to recommend their jobs to family members or friends. Respondent 2 complained that the heavy workload did not allow him to maintain his personal life because he had to work 10 or more hours per day. Respondent 9 added:

*“...the heavy workload makes me tired and even influences my health. I don’t think I can maintain good health if I work for a long term in this job.”*

Respondent 9 added that there should be more recruitment of staff members who had resigned, but that the store manager did not recruit new staffs actively, which caused a higher

workload and less job satisfaction. P3 also pointed out understaffing as an unsatisfactory issue. Respondent 16 commented:

*“...these days my colleague and I got very upset with the store manager. Since there were staffs who are resigned, there should be new hiring, but the store manager didn't get new staffs to replace the new kitchen staffs. For this reason, sales staffs had to do for kitchen work e.g. topping ingredient for cake and bread... Now the workload is doubled compared to few weeks ago causing high level of dissatisfaction to the staffs”*

Respondent 21 also pointed out that the heavy workload was particularly high at PXL branch because the branch ran a central kitchen to produce products for other stores. However, even if new staff members were hired, the ineffective training practice did not help to reduce the workload immediately. Respondent 21 stated:

*“...the sales staffs don't get any formal training before assignment to a store. The training is informal and learned through daily experience. Yet, the store managers and senior staffs are quite busy and the overloaded with work, so there is no enough time to give proper training to the new staffs. Thus, the new staffs don't really reduce our works, but somehow increases more duties and stress.”*

In addition, the job stress was increased due to the lack of coordination between the store and the headquarters, since the confusion caused more repetitive work and other problems, as Respondent 9 stated.

Furthermore, some respondents mentioned that the job itself could impact on intrinsic motivation. Respondent 22 commented:

*“...I like baking, so the job itself motivates me to work hard without any stress.”*

This comment showed the job itself (job quality and design) could increase intrinsic motivation, which then influenced turnover intention. In addition, some respondents expressed boredom with the current job due to the repetitive tasks. Respondent 5 stated:

*“...I don't feel any difficulty in my job, but what I do every day is the same and repetitive. It's simply just all about selling cakes and bread in the store. So, when I work here for long time, it's getting boring...”*

On the other hand, Respondent 2 who worked in a store manager position, stated:

*“.... what I like about my job is that I develop new recipes for new beverages. It’s interesting and fun for me.”*

Respondent 18, another store manager, also commented that she / he enjoyed the job due to having varied and challenging tasks. However, since Respondent 5 worked in a non-managerial position, the daily tasks were more repetitive, while the store manager was involved in more creative tasks that influenced the level of job satisfaction. Respondent 9 added that repetitive jobs without proper breaks caused some long-term employees to suffer from health issues. In addition, the interviewees from the sales team often complained about their extensive responsibility for kitchen work, which they felt was unfair and a cause of stress. Respondent 21 commented:

*“When bread and cake come from kitchen, I usually cut them and pack them for display. This is not what I’m paid for, but I do it to help kitchen staffs. Yet, this effort is not recognised and rewarded by the company.”*

Besides, Respondent 20 commented that HR was not functioning properly. HR hired incompetent and inappropriate staff members, thus causing higher employee turnover after they completed their training in the kitchen team. As a trainer and supervisor, she/he felt that this practice created more job stress and decreased job satisfaction.

#### **5.2.2.2.2. Team → Organizational factors:**

During the interview, Respondent 1 explained that the relationship quality in her / his team was not good. He/ she stated that the lack of connection with team member created two issues, namely training and communication. Respondent 1 commented:

*“...people in my team don’t really talk to me nicely. When I asked questions about baking, they don’t really properly answer nor try to help me. So, it’s difficult to talk to them and get proper knowledge in my job.”*

Respondent 19 added that the good relationship with team members and good support allowed them to reduce job stress since the heavy workload could be reduced via the team's support.

In addition, some respondents stated how store managers could create a better working environment. Respondent 9 stated:

*"....my manager is very sensitive and flexible. She / he knows how to talk to other staffs with respect and fairness. This creates a positive work atmosphere and working relationship in my store."*

Furthermore, Respondent 11 mentioned that the good relationship with store staff eventually helped him / her to get better support for various issues. In fact, most of the participants expressed satisfaction with the relationship quality and how this helped them to perform better in their jobs. However, others (such as Respondent 12) complained about the inability of the store manager to maintain a positive relationship, which decreased job satisfaction. Respondent 14 added that incompetent store managers did not provide proper support for the store staff, which created a negative work environment.

#### **5.2.2.2.3. Team → Individual Factors:**

The participants were generally satisfied with their relationships with colleagues, although there were some negative comments about the store managers. Respondent 15 stated:

*"I like working here because my colleagues and store manager are friendly and supportive. So, I don't get much stress from my job, so I feel comfortable in my job."*

On the other hand, Respondent 9 experienced pressure from a store manager. She / he commented:

*"... the new manager is quite easy, doesn't require many things from staffs and she / he is a good listener for our concerns. Yet, the previous manager was very strict, always wanted us to follow exact rules and policies, not flexible at all. So, it used to be very stressful and unsatisfactory."*

Respondent 3 also mentioned that the store manager did not really provide proper support for the staff, which did not make him/her feel comfortable to perform his/her job. Respondent 3 stated:

*“...for example, some staffs need to get a new contract since their job contract expired. But, the store manager didn't really pay attention to issue and delay the procedure to get a new contract. When we complained about it, she / he often just ignored or didn't try to find any proper solution.”*

On the other hand, Respondent 4 commented that she / he was satisfied with the open communication with the store manager and her / his appropriate support in the store.

According to Respondent 9, staff members in the kitchen team tended to be less satisfied with the salary level since the kitchen staff were usually married and needed to support their families, while the sales team were usually younger and single, without financial responsibility for their families. Thus, the kitchen team staff tended to seek more secure jobs with higher salaries, which affected job satisfaction and organisational commitment.

#### **5.2.2.3. Conclusion:**

The interview data suggested that various factors on the three different levels impacted on employees' turnover intentions. In particular, the interviewees emphasised the impact of organisational factors that influenced their career decisions directly and indirectly. The current study highlighted compensation as a turnover factor during the interviews, but there were also other organisational reasons that mitigated the impact of compensation such as the work environment, communication and promotion opportunities.

The interview analysis also explained how team-related factors may have influenced turnover intention through organisational factors or individual factors. However, since the interviewees were almost universally satisfied with their relationship quality, it would not be identified as a key predictor of turnover intention.

### **5.3. Context, Exploration and Triangulation through Cross-Case Analysis**

In this section, the results of the three cases were compared and contrasted to assess variations among the cases. Firstly, categorical data for the team level was analysed using the Kruskal-Wallis H Test. Correlation coefficients and path-analysis will then be compared for the statistical analysis. Lastly, interviews with employees at the two case studies (ABC Café and DEF Café) were analysed to compare them to the main case (XYZ Bakery) for the qualitative analysis.

#### ***5.3.1. Categorical Data Comparison***

With regard to the team-related factors, the Kruskal-Wallis H test was conducted for different teams (for XYZ Bakery) and different store locations (XYZ Bakery, ABC Café and DEF Café). The following results were generated for the three cases.

##### **5.3.1.1. Kruskal Wallis H Test Result**

The results (See Appendix 15: Kruskal Wallis H Test Result) from XYZ Bakery and DEF Café support the fact that team-related factors influenced employee turnover intentions, such as different teams (baking or sales teams) or different store locations. For example, the staff in baking team indicated a higher turnover intention, while the staff at the Cong Hoa and Saigon Centre branches showed higher turnover intentions at XYZ Bakery. However, the ABC Café did not support the fact that different store locations impacted on turnover intentions.

#### ***5.3.2. Correlations Comparison***

The results of the correlation coefficients were compared among the three cases in the table (Appendix 16: Correlations Comparison). The comparison table shows that DEF Café supported all the nineteen factors tested. Overall, the coefficients from the DEF Café were relatively stronger than were those of XYZ Bakery and ABC Café, particularly with regard to job satisfaction, intrinsic motivation, relationship quality, co-workers' emotional / instrumental support, work environment, promotion / development, performance appraisal and training.



On the individual level, there were weak associations for job performance and subjective norms that were confirmed in the other cases. With regard to team level, XYZ Bakery and ABC Café did not provide strong statistical evidence, while only relationship quality was confirmed for the ABC Café. In terms of the organisational level, ABC Café showed weaker correlations for the factors. In particular, culture / socialisation, job design / flexibility and training were rejected as having a significant association with turnover intention. (See the full correlation coefficient tables for XYZ Bakery, ABC Café and DEF Café in Appendix 17, 18 and 19)

### ***5.3.3. Path analysis comparison***

With regard to the path analysis comparison, path coefficients, t-values and the coefficient of determination ( $R^2$ ) were summarised for the table (Appendix 20: Path Analysis Result Comparison and 21:  $R^2$  Comparison):

The comparison tables suggested that the overall findings were consistent among the three cases except for the paths from OF  $\rightarrow$  IT and IF  $\rightarrow$  TI. For XYZ Bakery and ABC Café, the path from OF to TI was strongly supported by Smart PLS (-0.483 and -0.538 of path coefficient, respectively). However, the path from OF  $\rightarrow$  TI was rejected in the DEF Café case, which showed that organisational factors such as salary and promotion did not have a direct influence on turnover intentions, but that these were expressed indirectly by the OF  $\rightarrow$  IF (0.951) and IF  $\rightarrow$  TI (-0.706) paths, which contracts the findings from XYZ Bakery and ABC Café s that had a slightly weaker path from IF to TI.

### ***5.3.4. Interview comparison***

For comparison with the main case interview (XYZ Bakery), 10 additional interviews were conducted at the ABC Café and the DEF Café s - five participants from each (See Appendix 22: Interviewee Demography). In this section, the key differences in the additional two cases were highlighted and summarised.

#### **5.3.4.1. ABC Café**

##### ***5.3.4.1.1. Promotion opportunity and personal development plan:***

The participants from ABC Café saw limited long-term career opportunities that decreased their commitment to the job in the long term. In fact, at the time of writing, all non-managerial staff members were student / part-timers (approximately 80 to 90%), and only a few full-time staff members were working as supervisors and store managers. Respondent 28 stated:

*“...my job is fine and satisfied with what I’m doing and offer, yet I don’t wish to work here for long term since my main interest is customer relationship rather than store management. I don’t really see there is any good chances to develop my interest in this firm, I would get a new job that will help me to develop my career in customer relationship management.”*

Respondent 28 stated the possible disconnect between job satisfaction and organisational commitment for in the long term with regard to personal development. Respondent 28 added ABC Café was currently operating on a smaller scale when compared to other countries. For this reason, the horizontal and vertical differentiation in the organisation was limited, which indicated limited promotion opportunities in the long term.

##### ***5.3.4.1.2. Training, job quality and design:***

Compared to XYZ Bakery, the interviews showed that less formal training was given to new staff members. Respondent 28 commented:

*“...at the beginning, we get a short orientation about the company history and basic policies. After that, the main skills are taught in the assigned store by the store manager, supervisor and other senior staffs. Since the job is simple as selling products to customers, the training doesn’t take a lot of effort and time.”*

As mentioned, jobs requiring fewer skills decreased the demand for training in the firm. In addition, respondent 31 explained how this influences job performance and appraisal:

*“...since the job is simple and easy once familiar with it, I don’t really see if anyone feels our job is difficult to do, not only in our eyes, but also in the manager’s evaluation. Thus, I haven’t really see anyone got fired or got negative feedback from the management.”*

#### **5.3.4.1.3. Work environment and job stress:**

The participants frequently expressed feeling satisfied with their jobs at the time of the interviews as the work environment was satisfactory. Respondent 28 commented:

*“...this is my first job after graduated from college that has given me a lot of meaningful job experience and lesson. Also, the work environment here is quite good that encouraged me to work here for three years.”*

Respondent 31 also expressed satisfaction with the work environment as the facilities and equipment were modern and the staffs were supported well by the management.

Compared to XYZ Bakery, the participants from ABC Café experienced fewer issues with job stress. The reason might have been related to the job quality and the overall workload. Respondent 32 stated:

*“...commonly two-three staffs work in the same shifts, but sometimes I work alone on a shift since the store is not crowded and few customers visit during the shift. The job is simple and straightforward, so I don’t usually experience pressure on my job.”*

#### **5.3.4.1.4. Culture and Socialization:**

According to the participants, ABC Café did not support social events for staff members, such as birthdays and company dinners. Respondent 28 commented:

*“We usually hang out after work for a movie or food, but the company does not support for our social bonding. Also, since the most of staffs are part-timers, it’s hard to socialise frequently for their other commitment.”*

He / she added that, since the size of the team for each shift was small (two to three staff members per shift, although she/he sometimes worked alone), there was limited contact with other staff members in the organisation, particularly with those in the other stores.

#### **5.3.4.1.5. Salary / compensation**

Respondent 28 and 29 stated the level of compensation are satisfactory. Respondent 28 added her / his salary might be not very competent, but as a student, it was satisfactory as she / he still gain meaningful job experiences.

### **5.4.3.2. DEF Café**

#### **5.4.3.2.1. Personal development, Store location and Work environment:**

The staff members at the DEF Café were usually college students or young people starting their first job at DEF Café with a focus on long-term career development. Respondent 23 stated:

*“...most of the staffs in my store were all college students working for part-time. They work for DEF to gain working experience during the college time that help them to develop a better career for the future. Since my background is hospitality management, I also felt it’s good to gain work experience in DEF.”*

Respondent 25 added the young people/ college students often preferred working in the downtown area because the work environment in the stores was more dynamic and there were more opportunities to practice their English. Respondent 25 commented:

*“...I like working in downtown since I have more chances to meet foreign customers that help me to practice my English... I like the dynamic culture in the stores, though there are more customers to serve.”*

In addition, Respondent 24 explained that the store managers and supervisors received incentives based on the targets set by the headquarters. Although the targets would be different for each store based on the demand of the location, the supervisors and managers often preferred

stores located in the downtown area that bring more opportunities for incentives and more dynamic working experiences. In fact, all the respondents who had resigned from DEF Café expressed the intention to return to the DEF Café on completion of their studies since their work experiences were extremely enjoyable and worthwhile for their careers.

#### **5.4.3.2.2. Work-life balance:**

Since students often contributed to the DEF Café's workforce, they often encountered issues with the work-life balance. Respondent 26 said:

*"I quit DEF since I also had commitment to my family business and my study for bachelor's program. So, I couldn't really manage my time to do the all tasks."*

However, Respondent 23 stated that the store manager was usually concerned about the class schedule for the part-time workers and gave them flexible work shifts in line with their study schedules, which helped them to balance work and studies.

#### **5.4.3.2.3. Relationship quality, culture and supervisory support:**

The respondents from DEF Café expressed a very high level of satisfaction with their relationships with peers and supervisory leaders. Respondent 23 stated:

*"...people working there are quite friendly and willing to help each other. Mostly staffs are from similar age group and college students that lowered barriers to communicate in the job."*

Respondent 25 added the positive relationship with supervisors was particularly helpful for new staff members since the new staff members needed more support during on-the-job training. Respondent 24 stated that the headquarters was active in organising and supporting social events for each store, thus promoting strong bonds among the staff members and boosting the positive atmosphere in the store.

#### **5.4.3.2.4. Training, Job quality / design and customer centeredness:**

According to the respondents, DEF Café set higher standards for the quality of the staff's customer service with regard to making drinks and serving customers through communication. Respondent 27 highlighted the standardisation effort of DEF Café's management to provide high-quality service, even though the tasks that DEF Café's staff performed were not very different from those at ABC Café. Thus, DEF Café provided a higher standard of training with concentrated hours even before assigning staff members to a store. Respondent 25 stated:

*"...the training centre is located in the city, so the new staffs now get training for few weeks before they start working in the store. After getting some basic skills, the new staffs are assigned to a store, but still get regular training in the training centre while working in the assigned store. The training session is quite demanding and somehow stressful compared to working in the store. Yet, it gives very useful skills and knowledge that actually help me to do my job."*

Respondent 24 added that the training increased knowledge about customer centeredness, which improved the performance of the staff:

*"...during the training session, the company provides two to three modules to teach new staffs about customer behaviour and scenario that help us to understand how to handle various issues in store... since most of the staffs are college students or young, they don't have a lot of experience in any kind of situation to handle customers, so the training in customer help us to understand the importance of customer and how to serve them properly that improves the way we conduct our job daily."*

#### **5.4.3.2.5. Management support and Communication:**

The participants from DEF Café frequently expressed satisfaction with the support from the headquarters. Furthermore, the communication between stores and headquarter was effective and supportive for solving various work issues. Respondent 24 stated:

*“...as a supervisor, we used to work overtime for documentation and it gave us more pressure every day. This issue had been reported to higher level and in few weeks, a new IT system was implemented that reduced time for documentation that let us finish work earlier.”*

Furthermore, the headquarters also conducted regular employee surveys to listen to their employees and genuine improvement was witnessed by Respondent 24, who had worked at DEF Café for four years.

#### **5.4.3.2.6. Performance appraisal and justice:**

Respondent 24 stated that the performance appraisal at DEF Café was very formal and transparent. According to respondent 24, various forms were used to evaluate staff and the results were communicated openly in order to improve and reward performances. However, Respondent 24 also commented that the performance report seemed to be biased and unfair, stating:

*“I feel the performance result can be subjective based on the store manager’s view and I feel it’s not fair when less competent staffs get promoted faster than me.”*

#### **5.4.3.2.7. Job quality / design:**

Respondent 25 explained that DEF Café required high standards from the staff members with regard to delivering consistent and professional customer service. Respondent 25 stated:

*“...the job sounds simple as just selling drinks and serving some desserts, but we need to follow exact procedure and standards for every step to make products and deliver service. So, during the training, we get very detailed instruction and drills to deliver perfect consistency.”*

#### ***5.4.3.2.8. Promotion Opportunities:***

In long-term, Respondent 24 explained that there is a clear career path she / he can develop in DEF Café either through front-office or back-office. The Respondent was considering to apply for the back-office job such as marketing and PR team since she was more interested in the career path. She / he was aware of there are possibilities of developing their long-term career in DEF Café in different paths and options.

#### ***5.4.3.2.9. Ethic:***

None of the respondents was particularly concerned about ethical operations when making job decisions. However, since the participants were students or college graduates, they were clearly aware of ethical issue related to DEF Café. Since DEF Café was active in developing societal marketing efforts in its operations, Respondent 23 and 24 were clearly aware of these efforts and were properly informed about them during the training session. Nonetheless, they were not particularly concerned about the ethical operation when making their job decisions.

#### ***5.4.3.2.10. Salary / compensation***

Respondent 24 mentioned that the level of salary is not as high as she / he expected before working in the firm. Since the firm provides a professional working environment with training program, she / he didn't mind much about the level of salary. On the other hand, Respondent 23 and 25 expressed satisfaction on the salary since they were working for part-time and the dynamic working environments attracted the respondents rather than salary and compensation.

#### ***5.3.5. Conclusion:***

The overall comparison suggested that strong organisational offers weakened the path from OF to TI at DEF Café, yet strengthened the path for OF → IF and IF → TI at XYZ Bakery and ABC Café. In addition, the cross-case analysis suggested that the different job design / quality influenced the impact of job performance, training and performance appraisal in that the more complicated job design (at XYZ Bakery and DEF Café) required a higher level of skills



and training that differentiated the level of job performance and performance appraisal, while the simpler jobs at ABC Café indicated weaker links of job performance, training and performance appraisal with turnover intention. At XYZ Bakery and DEF Café, since the staff members received more professional training from the organisations, there was clearer awareness of customer centeredness that was more strongly associated with employee turnover. The extensive training programme at the DEF Café also proved that this increased the effect of the team level → organisational level path.

The cross-case analysis also showed that different individual backgrounds moderated impact of subjective norms and promotion, since more committed and older age groups worked at XYZ Bakery, which caused them to be more concerned about their families and promotion opportunities, while the short-term staff members at ABC Café were less concerned about subjective norms and promotion opportunities.

Lastly, ABC Café did not have strong statistical support for communication and socialisation, since each team / store consisted of a small number of staff members and small shift sizes that limited close bonding and communication because there was also poor organisational support for the staff's socialisation efforts. Furthermore, the most of staff members at the ABC Café were students who were employed part time; thus, they were less committed to work than they were to their personal lives, which decreased participation in organisational communication and social activities.

## 6. Discussion

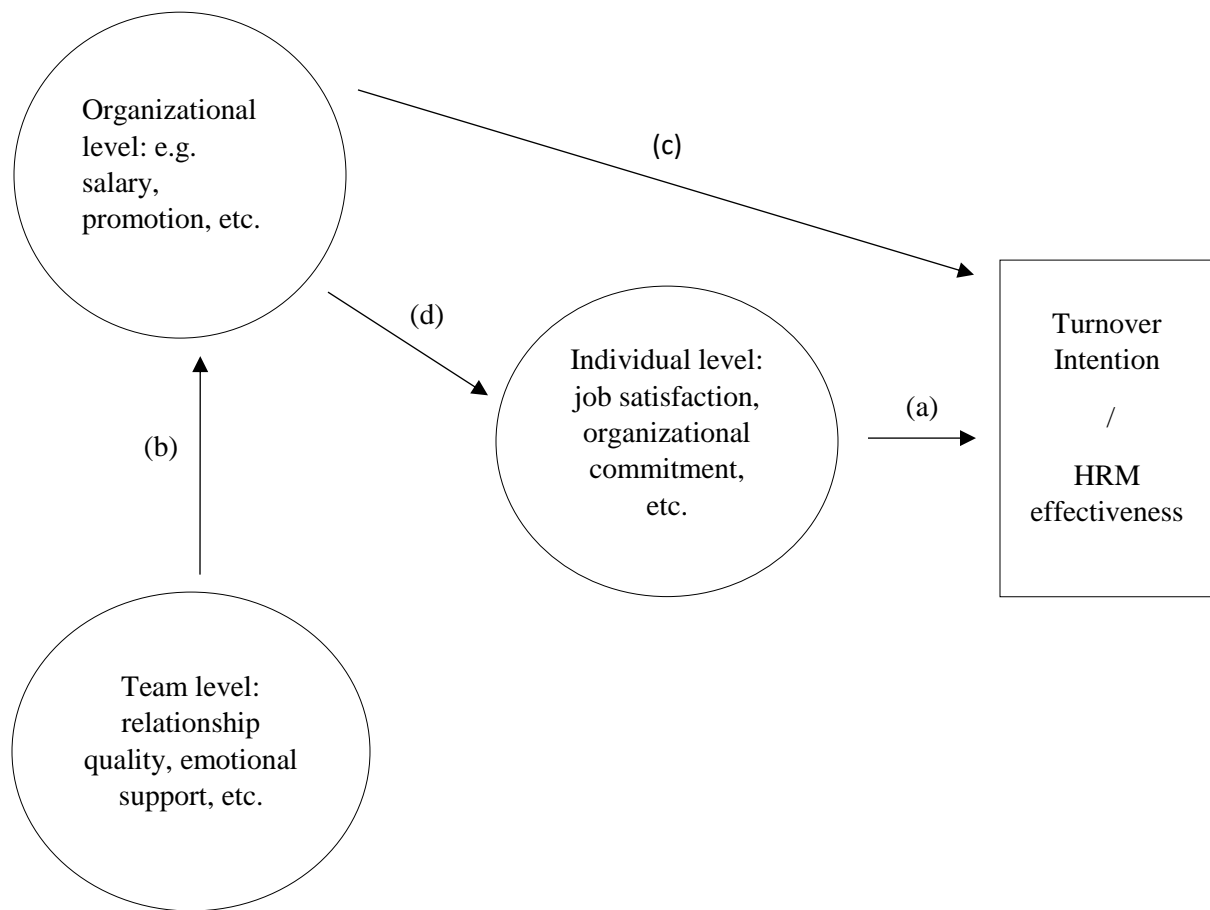
The current research paper aimed to evaluate the effectiveness of HRM in Vietnam by measuring and explaining employees' turnover intentions in Vietnam's food and beverage (F&B) sector. The study had four objectives:

- To identify the levels and causes of employees' turnover intentions in the companies in the case studies in the food and beverage industry in Vietnam.
- To analyse the paths among individual, team and organisational levels that shape employees' turnover intentions in the food and beverage industry in Vietnam.
- To explore the personal experiences of employees and better understand their turnover intentions and experiences of HRM in the companies in the case studies.
- To generalise from the cases and the sector to identify themes and future concerns for HRM in Vietnam

The conclusion of the study is that the initial framework for understanding the correlations between different levels, derived from the literature, should be revised (see Figure 4) to show that OF-IF is the key, with other factors aligned around that.

The following sections discuss how the data collected from the study addressed the research objectives. In Sections 9.1 and 9.2, a wide range of direct and indirect turnover factors are discussed for Research Objectives 1, 2 and 3. In Section 9.3, the findings from the employee turnover factors are generalised and implications for HRM's effectiveness in Vietnam with regard to employee resources, training and development, performance evaluation and motivation, and employer/employee relations were discussed.

**Figure 4: Revised Model**



*(Source: Author)*

## 6.1. Summary of Key Findings

In the current study, the pilot study identified the key variables to test the correlations and a basic path analysis made for the path model on the three levels - individual, team and organizational. After eliminating some irrelevant variables (e.g. work-life balance and career development plan), the main study (XYZ bakery) were proceed with the two additional cases (ABC Cafe and DEF Cafe). The key findings of associations and path analyses are summarized in Table 40.

The most prominent finding of the main study is the impact of organizational factors on employee turnover intention. A wide range of dependent variable on organizational level are confirmed to be employee turnover factors through the correlation analysis and the path analysis. Especially, salary, management support and work environment predict turnover intention consistently on the three cases, but also other organizational factors such as training and promotion opportunity are also confirmed as turnover predictor, though there are some deviations on the strength of the predictive power. In addition, the impact of organizational factors might either be direct or indirect depending on the case organization.

Individual factors are partially supported in the main study. The factors universally supported by the three cases are only job satisfaction, organizational commitment and intrinsic motivation. Other factors are weak or partially supported by the cases. Yet, job satisfaction and organizational commitment are confirmed as the most reliable predictors of employee turnover as the previous literature concluded. Yet, the reliability of the prediction between job satisfaction and organizational commitment would be different in the cases.

In team level, team factors don't have enough evidence to be an employee turnover factor. Although, DEF Cafe showed relatively strong correlations with turnover intention, the path analysis also rejected the  $TF \rightarrow IF$  and  $TF \rightarrow TI$  path.

The following sections further explain and discuss the findings of the current study.

**Table 40: Summary of Key Findings**

Research Question & Objective	Finding
<p>Research Objective 1:</p> <p><i>To identify the levels and causes of employees' turnover intention in case study companies in the food and beverage industry in Vietnam.</i></p>	<ul style="list-style-type: none"> <li>- Turnover antecedents on Individual level: <ul style="list-style-type: none"> <li>○ Job satisfaction, organizational commitment, intrinsic motivation, job performance, subjective norm</li> </ul> </li> <li>- Turnover antecedents on team level: <ul style="list-style-type: none"> <li>○ Coworker emotional support, relationship quality, coworker instrumental support (inverse relationship)</li> </ul> </li> <li>- Turnover antecedents on organizational level: <ul style="list-style-type: none"> <li>○ Justice, salary / benefit / incentive, promotion / development, performance appraisal, work environment, communication, culture / socialization, training, management support, ethics, job security, job design / flexibility, customer centeredness</li> </ul> </li> </ul>
<p>Research Objective 2:</p> <p><i>To analyse the paths among individual, team and organizational level that shape employees' turnover intentions in the food and beverage industry in Vietnam.</i></p>	<ul style="list-style-type: none"> <li>- The paths identified in the initial model (Figure 1) are accepted except Team → Individual Path and Team level → Turnover Intention Path (see Figure 5).</li> <li>- Organizational → Turnover Intention and Organizational → Individual → Turnover Intention path are confirmed as Turnover Paths.</li> <li>- When Organizational → Turnover Intention path is weaker, the Organizational → Individual → Turnover Intention path is stronger in DEF café case (See Appendix 20).</li> </ul>
<p>Research Objective 3:</p> <p><i>To explore the personal experiences of employees and better understand their turnover intentions and experiences of HRM in the case study companies</i></p>	<ul style="list-style-type: none"> <li>- Employee resource <ul style="list-style-type: none"> <li>○ Lack of vertical communication causes ineffective staffing.</li> <li>○ Job satisfaction and organizational communicate are two indicators to predict demand of employees, the predictability would be influenced by effectiveness of the organizational offerings.</li> <li>○ Job complexity and demography should be concerned in staffing decisions.</li> <li>○ Employee referral could be an effective staffing source.</li> </ul> </li> <li>- Training and development <ul style="list-style-type: none"> <li>○ Effective training not only lowers employee turnover, but also decreases the impact of salary on turnover and improve work motivation as well as attracting young employees.</li> </ul> </li> <li>- Performance management &amp; motivation <ul style="list-style-type: none"> <li>○ Various organizational factors / offerings increase work motivation such as salary, promotion, managerial support, etc.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Fair / ethical performance evaluation and reward improve work motivation.</li> <li>- Employer / employee relationship <ul style="list-style-type: none"> <li>○ Lack of open communication with the top management may cause potential issue with employer / employee relationship.</li> </ul> </li> </ul>
<p>Research Objective 4:</p> <p><i>To generalise from the cases and the sector to identify themes and concerns in the future for HRM in Vietnam</i></p>	<ul style="list-style-type: none"> <li>- The fast-changing socio-economic environment in Vietnam creates the unique labour market condition.</li> <li>- The rapid industrialization and urbanization cause the issues of skills (e.g. training and development) and life quality (e.g. salary, work environment) that employees concern in their job decisions.</li> </ul>
<p>Research Question 1:</p> <p><i>What are the variables that predict employee turnover in Vietnam F&amp;B Sector?</i></p>	<ul style="list-style-type: none"> <li>- The overall findings of turnover variables are consistent with the previous literature developed by the Western researchers.</li> <li>- Yet, the factors on the organizational level indicate stronger predictability to employee turnover while the factors on team level suggest weak predictability.</li> </ul>
<p>Research Question 2:</p> <p><i>How are the variables associated to predict the employee turnover?</i></p>	<ul style="list-style-type: none"> <li>- The path analysis suggests positive work relationships influence employee turnover indirectly through organizational factors such as improving training quality by higher relationship quality.</li> <li>- Effective organizational offerings such as salary and promotion can either directly influences employee turnover or indirectly through individual factors such as job satisfaction and organizational commitment.</li> </ul>
<p>Research Question 3:</p> <p><i>What does the study of turnover intention show us about the effectiveness of HRM in Vietnam F&amp;B Sector?</i></p>	<ul style="list-style-type: none"> <li>- Investing in the organizational factors would lower cost of employee turnover.</li> <li>- It's necessary to re-evaluate efficient salary level to maximize organizational performance.</li> <li>- There should be systematic and continuous studies on work motivation factors of the dynamic labour participants.</li> <li>- Job satisfaction and organizational commitment should be used as predictors of employee turnover for better HR planning.</li> <li>- The impact of employee turnover can be mitigated by strong organizational culture by socialization.</li> </ul>

## **6.2. Reasons for Employee Turnover in Vietnam F&B Sector**

### **6.2.1. Individual Level**

Throughout the current study, a set of variables that predict employee turnover are identified, tested and explained. The current study partially supports the predicted individual reasons for the turnover intention and possible explanations of this can be advanced based on the study.

#### **6.2.1.1. Job Satisfaction and Organizational Commitment**

According to the current study, job satisfaction, organisational commitment and intrinsic motivation are the most influential factors affecting employees' turnover intentions. In particular, job satisfaction and organisational commitment are indicators that predicted turnover intention. This finding is consistent with the previous literature; for example, Zhou and He (2014), Jang and George (2012), Yang (2010) and Choi (2006). Although a wide range of literature confirmed job satisfaction and organisational commitment as turnover indicators, the degree of influences and the path(s) to turnover intention was not agreed. The current study suggest that both factors are strong indicators, but that job satisfaction has a stronger association with turnover intention, as the merged data (-0.678), ABC Café (-0.619) and DEF Café (-0.737) indicated a higher correlation with job satisfaction than with organisational commitment, though the higher job satisfaction may not increase organizational commitment for the younger age group (college students) for the limited long-term career perspective (Respondent 9, page 106; Respondent 28, page 119)

#### **6.2.1.2. Intrinsic Motivations**

Based on the results for XYZ Bakery and ABC Café, intrinsic motivation has a relatively weak association with turnover intention (-0.285 and -0.310, respectively, Appendix 23: Comparison Table) while DEF Café's data suggests a higher level of correlation (-0.665), which is confirmed consistently in the three cases and in the merged data (-0.532). The weak effect of intrinsic motivation on turnover intention is supported by Kim and Jogaratnam (2010). During the interviews, the participants mentioned 'career development (Respondent 10 and 13, page

109)', 'family (Respondent 10, page 110)', and 'relationship quality (page 106)' as important internal values.

The importance of family and relationship quality was mentioned previously in Lam et al. (2002) research, in that Chinese culture developed such intrinsic values for internal motivation. In fact, Vietnamese culture is influenced extensively by Confucian values since the collapse of the socialist economic system (Knodel et al., 2004), and these values emphasise relationships and family.

In addition to the Confucian values, the higher level of correlation to the career development in the DEF Café case implies that the younger employees are more motivated when their current jobs are aligned with their future careers and the work environment is professional, thus providing meaningful experience for future careers.

With regard to subjective norms, the XYZ Bakery data confirms that staff members' turnover decisions were influenced by others' subjective views of the job (-0.490). However, there is disagreement between the staff at XYZ Bakery and ABC Café (0.568 and 0.245, respectively, Appendix 23). This can be explained by the backgrounds of the staff members. The staff members at ABC Café are mainly college students and part-time workers (Respondent 28, page 121). During the interviews, the participants explained that they do not intend to work at the job in the long term, stating that they only intend to work there for the short to medium term to gain work experience while attending college. On the other hand, the staff members at XYZ Bakery, particularly in the kitchen team, are generally older, married, full-time employees with greater long-term commitment to the job (see Appendix 24-1: Demography).

### **6.2.1.3. Job Performance**

Although the merged data confirms that higher job performance reduced turnover intention (-0.512, Appendix 23) consistent with Pizam and Thornburg (2000), there is also disagreement regarding job performance among the three cases. Data from XYZ Bakery and DEF Café confirms there is a moderate level of association between job performance and turnover intention (-0.304 and -0.464, respectively), but the data from ABC Café does not support the relationship (0.107). The interviews with ABC Café's staff (Respondent 31, page 121) reveal that the work is quite simple and less stressful than were tasks at XYZ Bakery and



DEF Café. Accordingly, there is a limited level of performance differences among staff and this factor does not influence employee turnover that lowers the association to turnover, while the more challenging job tasks and responsibilities in XYZ Bakery (for baking job) and DEF Café (for the wider range of job responsibilities according to Respondent 25 and 27, page 125) differentiated job performances associated with the turnover intention.

#### **6.2.1.4. Work-Life Balance**

With regard to job performance, there are also mixed findings in terms of the work-life balance in the cases. Blomme et al. (2010b) proved previously that the work-life balance is a significant predictor of turnover. However, in the current study, only the DEF Café's data suggests that the work-life balance predicted turnover intention (-0.578). This disagreement could be explained by the staff members' other commitment outside of their jobs. As described earlier, the staff members at DEF Café are mainly college students in non-managerial positions (Respondent 23, page 124). Accordingly, the staff members often experience a role conflict between their work and their study schedules (Respondent 26, page 124).

#### **6.2.1.5. Reasons for Insignificant Variables**

In addition, the current study does not suggest that any gender issues are involved in the work-life balance, as suggested by Qiu et al. (2014) and Zhou and He (2014), since the staff members in the three cases are mainly single / unmarried, which implies that there are no additional responsibilities for female staff based on age and marital status. These reasons for the insignificant work-life balance factor in relation to turnover intention also explain the lack of support for the convenience factor, since the staff members with work-life balance issues are more concerned about time spent traveling to and from work (Qiu et al., 2014).

The other individual factors that are mainly rejected in the current study such as age, gender, race, educational level, length of service, level of employment and job category in the XYZ Bakery and DEF Café studies (Table 20 in the Pilot Study Result), although age, education level, length of service and level of employment are supported by the ABC Café study. According to the interviews with ABC Café respondents, the homogenous background (college students and part-time workers) means that they are only committed during their time at college

(see Appendix 24-2: ABC Café Demography). As the students come closer to completing their studies, the intention to find a new job / career increase.

Unlike at the ABC Café, there were fewer students at XYZ Bakery (see Appendix 24-1 XYZ Bakery Demography), and both XYZ Bakery and ABC Café's staff members are more committed to their jobs since the staff members at XYZ Bakery are mainly full-time employees and DEF Café's staff members are committed to the job for the long term due to the professional and dynamic working environment (Respondent 24 and 25, page 123). For these reasons, the basic demographic factors at XYZ Bakery and DEF Café do not predict turnover intentions. Furthermore, in the three cases, the staff members are mainly young and originated from HCMC. This suggests that the current F&B sector in Vietnam relies mainly on young staff from big cities. Nonetheless, the findings from the three cases may not represent the higher age groups or other regions.

In addition, Vietnam is one of the few remaining socialist countries that emphasises gender equality. Although the collapsing socialist economy system has weakened gender equality (Knodel et al., 2004, Long et al., 2000), the current study shows a lack of evidence for gender discrimination in the Vietnamese F&B sector. Since the majority of staff members are female in the three cases, the dominant female demographic might influence gender equality.

### ***6.2.2. Organizational Factors***

#### **6.2.2.1. Key Factors**

The factors pertaining to the organisational level, such as work environment, management support, salaries and promotion opportunity, are mainly supported by the three case studies. However, job stress and job / employment status are rejected in the XYZ Bakery pilot study (Table 20 in the Pilot Study Result). Although most of the organisational factors are significant predictors of employee turnover intention, salary (-0.641, Appendix 23) is highlighted as a turnover factor during the interviews.

The previous literature concluded that salary is a strong predictor of turnover intention (Su et al., 2011, Yang et al., 2012, Pizam and Thornburg, 2000), and Chan and Kuok (2011) suggested that the local labour market increased the acceptable salary level. In Vietnam, the recent socio-economic change encouraged people to move from rural areas to major cities such

as HCMC. The surplus of the labour supply stagnated increase of salaries in the market that provides an advantage for F&B employers. Although the minimum wage increased due to the higher cost of living, the interviews confirms that the current salary for non-managerial staff is not enough on which to live.

However, the staff at XYZ Bakery mentioned that the payroll system is more of an issue than the level of the salary itself (Respondent 1, page 114). In fact, the staff at XYZ Bakery explains that the issue is the unclear payroll system that often miscalculated their overtime pay, which then increase their intentions to leave their jobs (Respondent 22, page 107). Moreover, degrees of satisfaction with salaries are different depending on the respondents' employment status and demographics. For example, the part-time workers who are also studying at colleges (mainly from ABC and DEF Café s) are satisfied with their current salaries (Respondent 23, 126 and 28, page 127). However, the full-time staff members working in the kitchen team at XYZ Bakery expressed more concern about the level of salary (Respondent 22). Moreover, the DEF Café case suggests that the professional working environment and promotion opportunities weaken the effect of salary on turnover intention (Respondent 23 and 25, page 127).

The respondents from the three cases all agreed on the effect of work environment and management support on turnover intention (Appendix 23). In the previous studies, work environment covered a wide range of factors such as culture, empowerment (Moncarz et al., 2009), communication, location of work, achievement (Lee and Way, 2010), facility, equipment and sanitation (Lee et al., 2012). During the interviews, the participants often mentioned the work environment in terms of a positive atmosphere, relationships with others, facilities, and the quality of the job. For these reasons, the term work environment covers a wide range of organisational factors and not just a specific variable. Accordingly, work environment should be considered as a combined indicator of organisational factors in this study. Nevertheless, during the interviews, the participants suggest the importance of facilities and equipment that support their job performance and increased job satisfaction (Respondent 28 and 31, page 122) as part of the work environment.

In spite of the disagreement regarding the definition of work environment, the respondents from XYZ Bakery often commented on the heavy workload as a factor that increased job stress and decreased job satisfaction (e.g. Respondent 9, page 117). Although job stress is not considered to be a significant indicator of turnover intention in the pilot study, the

interviews suggest that the amount of workload (job design) and job stress influences the turnover intention on some level. In addition, the participants from DEF Café often complimented the positive work environment for increasing their job satisfaction in relation to the quality of the relationships with peers and supervisors, overall job quality and offers from the management (Respondent 24, page 124).

In terms of management support, the respondents universally emphasised and appreciated management support during the interviews (e.g. Respondent 9 and 12, page 108) and the correlations analysis. Dipietro and Condly (2007) pointed out that effective managerial support decreased turnover intention because it influenced employee motivation at work (Yang et al., 2012). The respondents from XYZ Bakery (Respondent 12) mentioned how ineffective support from headquarters and the store manager with regard to understaffing issues decreased work motivation and job satisfaction, and increased turnover intention, which is consistent with the previous literature. Furthermore, the staff at DEF Café appreciated the effective central support to decrease the workload by implementing a new IT system, which increased job satisfaction (Respondent 24, page 125). However, the current study does not find any evidence of a gender difference affected by managerial support, as suggested by Blomme et al. (2010b).

#### **6.2.2.2. Communication**

In addition to managerial support, how central management communicated with its stores is also confirmed as a predictor of turnover (-0.623, Appendix 23). Wang (2010) concluded that effective communication could reduce work pressure and decrease turnover intentions. In fact, the respondents from XYZ Bakery indicated that the work pressure could be made worse by limited communication from the headquarters (Respondent 20, page 109). The respondents show frustration during the interview due to the lack of clear understanding of their operations and operational changes. On the other hand, the respondents from the DEF Café explain that the staff members were more connected to the top management through more formal and informal channels that provided clearer understandings of their jobs and the corporate vision and mission, which increased job satisfaction (Respondent 24, page 125).

### **6.2.2.3. Promotion**

Promotion is universally confirmed as a turnover predictor in the previous literature, as stated by Su et al. (2011), Brown (2011) and Chan and Kuok (2011). The three cases in the current study also consistently suggest that there is a strong association between promotion and turnover intention (-0.634, Appendix 23). However, there are weaker correlations at ABC Café (-0.380) than there were at XYZ Bakery (-0.444) and DEF Café (-0.640). The respondents from ABC Café, as mentioned earlier, are usually committed in the short term during their college studies and there are limited promotion opportunities in the firm, while respondents from DEF Café explain that there is a well-developed promotion path that motivated staff members to commit in the longer term (Respondent 24, page 127). Accordingly, there is evidence that promotion indirectly influenced turnover intention through organisational commitment, as suggested by Blomme et al. (2010a), and that the impact is not significant in the short term, as mentioned by Moncarz et al. (2009).

### **6.2.2.4. Performance appraisal and Justice**

As promotion is an important factor influencing organisational commitment and turnover intention, employees tended to demand constructive feedback and training to obtain promotion opportunities (Shreedaran, 2010). Moreover, performance appraisal is confirmed as a factor influencing turnover intention in the three cases (-0.643, Appendix 23), although there is relatively weak support expressed by the ABC Café's staff members (-0.295). The reason for the low association can be explained by the job design. The staff members at ABC Café mentioned that their daily tasks are relatively simple and straightforward, and that they received positive performance feedback from the managers (Respondent 28, page 121). For this reason, job requiring limited skills are not associated with turnover intention. On the other hand, the bakers at XYZ Bakery require more advanced skills to produce a wide range of bread and cake products, which create a bigger gap in the performance evaluation results. Similarly, the jobs at DEF Café are more standardised and formalised, and covered a wider range of tasks compared to those at the ABC Café, which require more training and effort to perform the work (e.g. Respondent 24, page 125). Accordingly, the current study suggests that performance appraisal may not predict turnover intention when the job does not require advanced skills that equalise

staff performances. Furthermore, the more complicated jobs requiring higher skills at XYZ Bakery and DEF Café are also predictors of turnover intention, as mentioned by Yang et al. (2012).

Just as performance appraisal is important in relation to turnover intention, the current study also confirmed the importance of justice in managing employee turnover. In particular, the respondents from XYZ Bakery indicate the greater relevance of this association (-0.612) with turnover intention and commented that unfair performance appraisal decreased job satisfaction.

#### **6.2.2.5. Training**

As training increased the opportunity for promotion in the previous studies, such as those by Choi and Dickson (2009) and Shreedaran (2010), the studies agree on the effect on employee turnover. In the current study, the impact of training is evident and it is clear that the employees expected professional and consistent training from their employers according to the correlation analysis (-0.595, Appendix 23). Accordingly, when the training is not effective, the staff members at XYZ Bakery expressed low job satisfaction and higher turnover intention during the interviews (Respondent 1, page 116). In fact, there is limited skilled labour in Vietnam (Ketels et al., 2010; as cited in Montague, 2013), which require employers to provide training programmes, particularly because the majority of the employees in the three cases are young and this was the first job they had had in their lives. Therefore, the respondents often mentioned that experience and skill gained via their jobs are important reasons to remain in their jobs, even when other compensation factors are not satisfactory (e.g. Respondent 25, page 115 and 125).

It is interesting that the effect of training is rejected by the ABC Café's respondents in contrast those at XYZ Bakery and ABC Café (Appendix 23). The reason can be explained by the simpler and low-skilled jobs at ABC Café that require the minimum level of training. The limited training effort at ABC Café might influence the lower level of customer centeredness (0.022) since there are limited formal training opportunities for new staff members, while there are clear correlations between customer centeredness and turnover intentions at XYZ Bakery and DEF Café. The finding suggests that training programmes can increase customer centeredness, which creates a higher level of job performance and satisfaction, as proven by Moncarz et al. (2009).

#### **6.2.2.6. Ethical Factors**

The current study also measured the effect of ethical factors on turnover intention. Although the correlations between ethical factors and turnover intentions are significant in the three cases, the respondents do not clearly show how ethical factors influence their job decisions during the interviews. However, the staff members at DEF Café recognised the green operations and CSR effort and express their concerns (Respondent 23 and 24, page 127). In addition, since Vietnam is influenced by Confucian values, Confucian ethics might influence the employees to evaluate the firm's operations. Nonetheless, the current study has limited evidence to explain the strong association between ethics and turnover intention.

#### **6.2.2.7. Culture**

The previous literature identified various cultural factors that influenced turnover intention, such as turnover culture (Iverson and Deery (1997), unfriendly competition (Yang et al. (2012) and socialisation (Gustafson, 2002). Since a wide range of factors are involved in culture, the current study only measured 'socialisation' in the three cases via the questionnaire. The correlation results show that organisational support for socialisation activities decreased turnover intention significantly at XYZ Bakery and DEF Café (-0.428 and -0.603, Appendix 23), but this is rejected by respondents from ABC Café. In case of ABC Café, fewer staff members work in same shifts (only one to three staff members worked the same shift in a store) that might lower the impact of socialization culture. Furthermore, the staff members at ABC Café are mainly part-time employees / students, thus, they are less committed and engaged in work relationships. Furthermore, no social events are organised by ABC Café (Respondent 28, page 122), unlike DEF Café, which weaken the socialisation culture. In fact, at the DEF Café, socialisation is promoted actively at the corporate level, including birthday parties, staff community visits and the sharing of social events on the bulletin board (Respondent 24, page 124).

#### **6.2.2.8. Job stress**

During the pilot study at XYZ Bakery, job stress is rejected due to having a weak association. However, during the interviews, the respondents expressed their concerns about the workload and stress that decreased job satisfaction and increased turnover intentions. Nonetheless, the respondents from XYZ Bakery mentioned that the stress would be acceptable if the compensation level were higher (Respondent 12, page 110). Accordingly, job stress could be still considered to be a plausible turnover factor, although it is mediated by the level of compensation.

#### **6.2.3. Team level**

There are mixed findings regarding the effect of team-related factors. Respondents from ABC and DEF Café s confirm that the relationship quality influences turnover intentions (Appendix 23), but those from XYZ Bakery indicate a low association between the variables. The reasons for the weak impact of the relationship quality are explained by Mohsin et al. (2013) and Lam et al. (2002), who stated that the local Vietnamese culture was influenced by Chinese culture that emphasizes relationships and socialisation. Thus, the staff members in the three cases usually maintain satisfactory relationships with their peers and supervisors, which decrease the association with turnover intention.

Furthermore, the Kruskal Wallis H test suggests that the different teams and store locations influenced turnover intention (Section 8.3.1. Categorical Data Comparison, Page 127). For example, the kitchen staff at XYZ Bakery indicated higher turnover intentions due to the workload and salaries (e.g. Respondent 1). Moreover, the staff at the DEF Café stores located in less crowded areas indicate a higher turnover intention due to the different work environments according to Respondent 24 and 25.

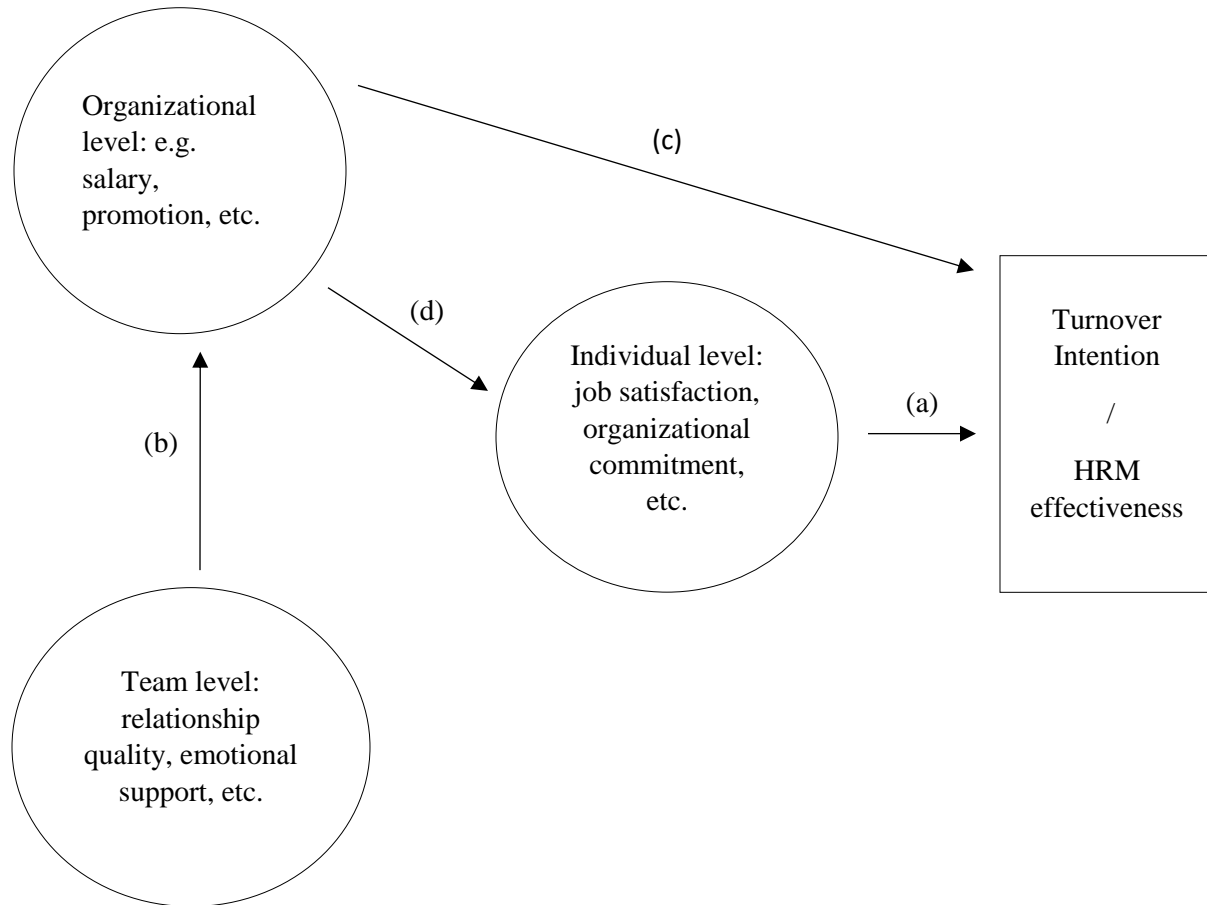
However, since the reasons for different turnover intentions for different teams and stores originate from the organisational (work environment and salary) rather than team factors (such as relationship quality and team support), the reasons should not be considered to be team-related factors. Nonetheless, the interviews consistently confirm the importance of relationships in the teams for better knowledge sharing, training and working environment; thus, the current study also confirms the impact of relationship quality on turnover intention.



With regard to co-worker's support, only the DEF Café's case supports the effect on turnover intention, but the result is opposite to the previous literature for co-worker's instrumental support (Appendix 23). According to Tews et al. (2013a), staff members with higher instrumental support indicated higher turnover intentions, since the staff members are considered to be incompetent. Nonetheless, the current study contradicts Tews et al. (2013a) because staff members with more instrumental support also show lower turnover intentions as the impact of emotional support. The reason for the contradictory finding can be explained by the lack of proper skills and the education system in Vietnam (see Section 2.2.2. Training and Development). Furthermore, the staff members in the three cases are mainly young people and college students; thus, the finding shows appreciation for the learning and training provided by supervisors rather than being a sign of frustration. However, since the DEF Café's questionnaire only measure emotional and instrumental support from supervisors, the findings cannot be generalised for the non-supervisory staff.

### 6.3. Paths to Turnover Intention

*Figure 5: Revised Model*



The path analysis of the three cases partially supports the proposed model (Figure 4). The results suggest that the IF→TI, OF→TI, TF→OF and OF→IF paths are statically significant, but the TF→IF and TF→TI paths are weak causations to explain turnover intentions in the cases (see Section 8.1.6. and 8.3.3. Path Analysis). Based on the current study result, a revised model is developed as Figure 4.

Lee et al. (2012), Wang (2010) and Yang (2010) showed that work environment, salary level, communication and job quality on the organisational level influence job satisfaction and organisational commitment on organisational level eventually impacted on turnover intention. In

the current study, the  $OF \rightarrow IF \rightarrow TI$  path is supported, as in previous literature, in that the various organisational factors such as management support, communication, salary and promotion caused lower job satisfaction, organisational commitment and intrinsic motivation, which increase turnover intention. In particular, the  $OF \rightarrow IF$  path is the most significant among the proposed paths in the model. However, the path from IF to TI would be different depending on the  $OF \rightarrow TI$  path.

For example, organisational factors at DEF Café are mentioned as being highly satisfactory during the interviews, and that the professional work environment and managerial support encouraged the staff to remain in their jobs in the longer term. The universally satisfactory organisational factors, accordingly, are not able to predict turnover intention in the DEF Café case, and the stronger path relationship is witnessed through  $OF \rightarrow IF \rightarrow TI$ . On the other hand, organisational factors at XYZ Bakery and ABC Café are relatively weak compared to those at DEF Café, which develop a strong path from OF to TI while  $OF \rightarrow IF \rightarrow TI$  is weaker than it is in the DEF Café case. The comparison among the three cases for  $OF \rightarrow IF \rightarrow TI$  and  $OF \rightarrow TI$  implies that strong organisational offers (such as managerial support and promotion opportunities) weaken the path from  $OF \rightarrow TI$  and strengthen the  $OF \rightarrow IF \rightarrow TI$  path. Similarly, ineffective organisational offers strengthen the direct path from OF to TI, as in the XYZ Bakery and ABC Café cases.

TF, or relationship quality and co-workers' support, are not particularly significant turnover factors in the correlation analysis. The path analysis also confirms that the  $TF \rightarrow TI$  and  $TF \rightarrow IF$  paths are insignificant in the three cases; only the  $TF \rightarrow OF$  path is consistently supported in the three cases, as a good relationship would strengthen organisational culture, job quality, work environment, communication and training.

## **6.4. Evaluation of HRM Effectiveness in Vietnam**

### ***6.4.1. Implications for HRM Effectiveness in Vietnam***

The current study chose ‘employees’ turnover intentions’ as an indicator of HRM’s effectiveness in Vietnam to evaluate the Vietnamese F&B sector. The current study confirms that a wide range of factors caused higher employee turnover intentions according to three levels – individual, team and organisational - via direct and indirect paths.

In brief, the current study confirms that the employee turnover factors developed previously in the earlier studies are mainly valid in the Vietnamese F&B sector with some exceptions and gaps, as concluded earlier (see Sections 9.1 and 9.2). These findings have implications for the four functions of HRM in the Vietnamese F&B sector, as follows.

#### **6.4.1.1. Employee Resources**

During the interviews, the respondents from XYZ Bakery mentioned the ineffective staffing practices that increased the workload and the job stress caused by poor managerial support and company-wide communication. This finding suggests a lack of vertical communication causing ineffective management support for ameliorating staffing needs.

The current study also confirms that job satisfaction and organisational commitments were the two key factors that predicted employees’ turnover intentions, as confirmed by previous studies. These findings imply that measurement of these two indicators could be a source of employee resource planning to predict the demand of staff in the F&B sector in Vietnam. However, the current study also suggests that higher job satisfaction may not predict the actual employee turnover in near future since highly satisfied employees would leave their jobs for long-term career development. As young workers mainly participate in the F&B sector in Vietnam, these employees tend to focus on long-term career decisions. Thus, organisational commitment tends to be an indicator of more long-term committed employees in the current study, which could be measured in conjunction with job satisfaction for improved employee resource planning.

Yet, the current study also shows that poor organizational offerings / factors weaken the predictive power of job satisfaction and organizational commitment. Thus, it’s necessary to

measure both the indicators in individual factors (job satisfaction and organizational commitment) and the organizational factors for more accurate prediction and HR planning.

Moreover, the three cases show that the majority of workers in the F&B sector in Vietnam are young people and college students engaged in part-time jobs. These practices would create flexibility for HRM planning and a lower cost of labour for operations. However, since college students working at part-timer jobs usually resign after completing their degree programmes and require more training at the beginning, this might increase other costs with regard to training and service quality. Thus, it is necessary to evaluate whether it is necessary to hire more experienced staff members in the interests of lower training costs and better service quality.

In addition to the demographic concern, it is also necessary to consider the complexity of the job when hiring part-time employees since more complex jobs require more training, which is not appropriate for part-time employees. With regard to the jobs at the ABC Café that require relatively simple skills and knowledge, it would be more appropriate to hire students on a part-time basis, as less training causes less turnover cost. Training that might be costly could be minimised, although the current study also shows that, when an F&B firm provides more professional training programmes, it attracts more young people to the positions because the young workers in Vietnam lack of proper training and an education system.

In regard to gender, the current study shows that the majority of staff members are female (about two-thirds) in the three cases. The current study does not show the reasons for the gender imbalance clearly. However, this gender participation imbalance needs to be studied to understand it further and to reduce the gender participation gap and attract females more effectively.

Lastly, the current study confirms that the overall relationship quality among staff members did not influence employee turnover directly. However, this could be a possible source of recruitment via ‘employee referral’ that could increase effectiveness through the internal networks, as relationship plays an important role in recruitment and selection in Vietnam (Kamoche, 2001).

#### **6.4.1.2. Training and Development**

The current study confirms that effective training decreased employees' turnover intentions. As the overall education system in Vietnam is underdeveloped and young students commonly participate in the F&B sector in Vietnam, effective training does not only attract more young people, but it also improves their work motivation and job satisfaction. In particular, when the jobs require a higher level of skill (such as baking at the XYZ Bakery), the importance of training and development increase.

Furthermore, the current study also suggests that providing professional training programmes reduces the impact of salary on employees' turnover intentions, particularly for young / student staff members who wish to gain professional skills and knowledge to develop their long-term careers.

The current study concludes that on-the-job training is commonly used in Vietnam's F&B sector, but it does not result in sufficient skills and satisfaction for the employees. As DEF Café is engaged more in the pre-job training period, this has a positive influence on the quality of its service and greater awareness of customer centeredness, while the XYZ Bakery lacks systematic and continuous training efforts to develop skills and know-how in the organisation, which decrease job satisfaction.

Although relationship quality is not a direct turnover factor according to the current study, higher relationship quality would increase training effectiveness because the training is often conducted as on-the-job training. If the teams have greater cohesiveness, the effectiveness of training would be increased during the in-store training with team members.

Accordingly, the current study concludes the importance of training programmes for the F&B sector and that relationship quality influence the quality of training programmes. Thus, it is necessary to develop more professional training programmes for greater HR effectiveness.

#### **6.4.1.3. Performance Management and Motivation**

As the current study aimed to understand the reasons for employees' turnover intentions as indicators of HRM's effectiveness, a wide range of factors that influenced employees' motivation are identified and confirmed using three levels – individual, team and organisational.

In brief, the key factors that motivated employees are identified as salary and other organisational environment factors, such as managerial support, promotion, communication, training and so on, which also influence individual factors such as job satisfaction and organisational commitment.

In particular, the current study indicates that the staff members earning the state's minimum wage express high turnover intentions for better pay and benefits. The high influx of young labourers into the big cities and the fast-growing but underdeveloped economy create unique motivation factors for job decisions. Although Vietnam is one of the fastest growing economies in the world, the wage growth has not been satisfactory for the working class according to the three cases.

Besides, dynamic young people often consider long-term career development while gaining practical working experience and training opportunities in their jobs. The study shows that a professional working environment and training programmes could decrease the negative impact of financial compensation on work motivation. In addition, designing jobs that involve more challenging and creative tasks would motivate the employees.

Furthermore, as Vietnam is a highly socialised country, building positive relationships within teams would improve work motivation and decrease turnover intention through improved training effectiveness and job performance.

The current study also suggests that fair and clear performance evaluation is critical for motivating F&B staff in Vietnam as this has an impact on employee turnover.

#### **6.4.1.4. Employer / Employee Relationships**

The current study shows the non-managerial staff members often felt disconnected from the top management, which creates frustration and disappointment. As this frustration heightens the risk of organisational politics, developing open communication channels companywide would strengthen employer / employee relationships.

The study does not show any clear evidence of active labour union activities. Furthermore, there is no clear indication that employees are actively expressing their grievances to management. However, since the scale of operations in Vietnam is growing rapidly, the growing number of employees in the firm would increase the risk of labour strikes, as in other

industries (Van Gramberg et al., 2013, Cooke and Lin, 2012). Accordingly, there should be a continuous monitoring and measuring employee satisfaction on their jobs and efforts to improve overall relationship with employees.

#### ***6.4.2. Doi Moi and its impact on HRM Effectiveness***

The three firms in the case studies struggle with employee resourcing and training (Knodel et al., 2004, Long et al., 2000). The current study also shows that, as communist values decrease, more individualistic values that emphasise personal development are emerging in employees' career decisions. Due to the rapid socio-economic changes since the Doi Moi policy, the communist economic system has transformed into a capitalist system that has raised various issues. Firstly, the collapse of communist values that emphasised collectivism has yielded to the traditional Confucian values. As it is predominantly the young population that is contributing to Vietnam's F&B sector, these young labourers make career decisions that will result in long-term success. However, the resurgence of the Confucian gender gap is not witnessed in the current study. The majority of the staff in the three cases is female (approximately two-thirds) and young (early 20s); thus, this may contribute to fewer gender discrimination issues.

Nonetheless, the current study indicates that the training and development efforts for moving the population from rural to urban areas are limited and ineffective. After the years of having a depressed economy under the communist economy, the open-market policy began to boost the Vietnamese economy from 1986 onwards. The agriculture-based and underdeveloped economy started to transform into a fast-growing industrialised economy that demands a high level of education and training. For this reason, unskilled labourers often seek jobs that provide better training and development opportunities to improve their skills.

The rapidly industrialised economy has also reallocated labourers to urban areas, thus increasing labour supply. The abundant labour pool in the major cities (such as HCMC and Hanoi) has provided advantages for employers, but the increasing living costs have also started to exert pressure with regard to job decisions. In particular, as high FDIs and booming urban economies invite more competition, properly trained and educated labourers are still a shortage in the market. The phenomenon also gave pressured on wage increase in the market.



Despite the majority of the influx of labourers into the urban areas being low-skilled and young, these young employees have been struggling with wages issue and are expecting higher wages. Although the state's minimum wage has been increasing, the minimum wage is not satisfactory for the entry-level employees according to the current study.

On the other hand, the rapid urbanisation has prevented the development of proper infrastructure to meet the needs of the large population. The poor city infrastructures also influences job decisions with regard to sanitation concerns and the working environment for young and dynamic staff members, as the staff members in the three cases appreciated their clean and professional facilities.

## **7. RECOMMENDATIONS**

The current study findings suggest that the factors in organisational and individual level predict employee turnover in Vietnam's F&B sector. Based on the key findings of the study, the following recommendations are developed to improve management effectiveness and efficient.

### **7.1. Recommendations for Management**

#### ***7.1.1. Employee Behaviour***

As young and dynamic labourers are participating in Vietnam's F&B sector, it is critical to understand their behaviour not only in job market, but also within firms. Since Vietnam's economy has rapidly been adopting Western capitalism, this would cause more dynamic changes in the employee behaviour as well.

Thus, the reasons for employee turnover identified in the current study will become outdated in the near future as the trend is expected to change quickly. For more effective employee resources and work motivation, there should be systematic and continuous studies on work motivation factors of the dynamic labour participants.

However, the current study also suggests that local / traditional intrinsic values influenced employee behaviour. In particular, foreign investors in the F&B sector in Vietnam should develop a better understanding of how relationships and family influence employees job decisions.

#### ***7.1.2. Investment in Organizational Factors***

The current study clearly shows the importance of organisational factors to improve HRM's effectiveness. Investing in competent compensation package, better facilities, professional training programmes and other organisational factors would decrease employees' turnover intentions and increase HRM's effectiveness.

However, since there are a wide range of organisational factors, relatively smaller scale operators such as XYZ Bakery and ABC Café in Vietnam would find it difficult to invest in all the organisational factors. The current study suggests some key organisational factors such as

compensation, training, promotion and management support that small F&B firms could initiate selectively.

For more effective organisational factor implementation, the current study also suggests building positive work relationships within teams to increase the effectiveness of training, communication and managerial support.

### ***7.1.3. Forecasting HR Demand***

Throughout the current research, ‘job satisfaction’ and ‘organisational commitment’ are consistently proven to be reliable predictors of employee turnover. Accordingly, employees’ job satisfaction and commitment should be measured periodically as a source of HR planning.

However, since job satisfaction may not predict the actual turnover of short-term committed staff (such as students and young staff members), organisational commitment should be used for long-term committed staff members instead.

Furthermore, the current study indicates that predictions based on job satisfaction and organisational commitment would be weakened when there were poor organisational factors. In this case, measuring organisational factors such as satisfaction with salary, promotion and managerial support would be more accurate indicators of employee turnover for HR planning.

### ***7.1.4. Compensation and Other Benefit***

To improve HRM’s effectiveness in Vietnam’s F&B sector, the firms will be under more pressure on wage increase. The high migration from rural areas provides an advantage for employers with regard to salary decisions. However, this advantage has been diluted by increasing competition and demand for experienced labourers.

Overall, the current study suggests that higher compensation and other benefits would decrease employee turnover. However, entry level jobs in the F&B sector in the XYZ Bakery and the ABC Café require a simple set of skills that demand less formal training and lower costs of employee turnover. For these reasons, paying relatively low wages and the legal minimum wage seem to be a fair decision for these two cases.

However, since the two cases also compete with regard to quality instead of quantity, it is critical to sustain and improve the quality of products and services by improving the quality of

HR as witnessed in DEF Café case. Since the current study suggests paying better salaries to improve work motivation and decrease turnover intention, it recommends increasing salaries to decrease employee turnover.

On the other hand, the current study also implies that work motivation and turnover intention could be managed without paying higher salaries by providing better training, a professional work environment and promotion opportunities. Accordingly, it is necessary to conduct a cost-benefit analysis to measure the ideal level of salary that maximises profitability and competitive advantages.

#### ***7.1.5. Knowledge Sharing Culture***

As employee turnover is inevitable, it is necessary to consider other ways to reduce the cost of employee turnover. The current study suggests that developing an appropriate organisational culture that improves socialisation among employees would transfer more work know-how among staff members that could remain in an organisation even after an employee has resigned.

To develop a knowledge-sharing culture, organising social events would increase cohesiveness among teams, according to the current study. Furthermore, there should be more support from top management, such as designing evaluations and incentives to improve teamwork effectiveness.

### **7.2. Contribution to Knowledge Base**

Throughout the current research, the following contribution are made to the knowledge base as:

- The current study developed a model that covers a wide range of variables under individual, team and organizational level and confirm the antecedents of employee turnover in Vietnam F&B Sector.
- The findings conclude that HRM context in Vietnam is different from the previous literature conducted in the other countries. Especially, the variables related to individual and team level indicate higher gap from the previous literature.

- The path model developed by the current research suggests there are different paths and associations to explain the relationships between the variables to the employee turnover in the context.

As well, the following contribution are made to the management practice as:

- The current research shows how to recruit and select employees in more effective and efficient ways based on the findings and the target demography.
- Also, the findings highlight importance of practical and continuous training program that attract and satisfy employees to stay in the job longer that eventually lower operations cost.
- In addition, a wide range of motivational factors are identified during the research that give practical implications to improve employee motivations but stay efficient HR operations.

### **7.3. Limitations**

The strengths were that a variety of methods have been used, to explore and verify a clear conceptual framework, which has been amended in the light of evidence. This enabled the contribution to the focal theory, about turnover in Vietnam, the extent of triangulation possible by having interview data and three companies to compare was considerable. However, the current study was based on a sample from three case organizations in F&D in HCMC who all foreign franchise brands were. Thus, the current findings might not be replicated for local F&B business that are based on traditional operations, nor for HRM more generally in Vietnam, though there is some confidence that the detail uncovered in this study does accurately capture the current state of plan and an agenda for change.

### **7.4. Recommendation for Future Research**

As the current study is based on case studies, there should be a bigger sample size that covers a wider range of F&B businesses and regions in Vietnam to generalize the findings. Especially, the three cases used in the research are all foreign-owned and located in large cities

only. Accordingly, there should be more data collected from smaller scale & local business in rural area to confirm the findings of the current study.

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## 9. Appendix:

### Appendix 1: Individual Variables by literature A

	Demographic factor				Employment profile			Performance related factor			
	age	marital status	gender	Education level	length of service	level of employment	Job category	Job performance	Effort	Persistence	polychronicity
(Pizam and Thornburg, 2000)	v	v	v		v			v			
(Nadiri and Tanova, 2010)					v						
(Dipietro and Condly, 2007)									v	v	
(Shreedaran, 2010)	v		v		v						
(Mohsin et al., 2013)				v							
(Maier, 2011)	v										
(Brown, 2011)				v							
(Lee and Way, 2010)					v	v	v				
(Blomme et al., 2010)			v								
(Jang and George, 2012)											v
(Severt et al., 2007)	v			v							
(Wildes, 2005)	v										
(Ghiselli et al., 2001)	v										

	Psychological factors							
	Job satisfaction	<b>intrinsic motivation</b>	subjective norms	comparison with others	Emotional intelligence	self-efficacy	unmet expectation	<b>organizational commitment</b>
(Choi, 2006)	v			v			v	v
(Chan and Kuok, 2011)				v				
(Lee et al., 2012)	v							v
(Pizam and Thornburg, 2000)	v							
(Xiancheng, 2010)								v
(Yang, 2010)	v							v
(Lee et al., 2014)								v
(Yavas et al., 2013)		v						
(Kim and Jogaratnam, 2010)	v	v						
(Wolfe and Kim, 2013)					r			
(Vasquez, 2014)	v							v
(Lee et al., 2011)	v				v			
(Dipietro and Condly, 2007)		v				v		v
(Gustafson, 2002)								v
(Shreedaran, 2010)				v			v	
(Qiu et al., 2014)								
(Mohsin et al., 2013)		v						v
(Zhou and He, 2014)	v							
(Brown, 2011)		v						
(Milman, 2003)	v							
(Lee and Way, 2010)	v							
(Lam, 2002)	v		v					
(Chiang et al., 2005)	v							
(Blomme et al., 2010)								v
(Robinson et al., 2014)		v						
(Iverson and Deery, 1997)	v				v			v
(Su et al., 2011)								v
(Jang and George, 2012)	v							
(Blomme et al., 2010b)								

(Severt et al., 2007)		v						
(Tews et al., 2013)								v
(Wildes, 2005)		v						
(Jung et al., 2010)		v						
(Tews et al., 2014)								
(Aikens, 2012)	v							
(DiPietro and Milman, 2004)				v				
(Dipietro et al., 2007)				v				
(Ghiselli et al., 2001)	v	v						
(Saporna and Claveria, 2013)	v							v
(Rahim, 2011)								v

	Personal factor (Work Life Balance)				
	<b>Social life balance</b>	<b>kinship responsibility</b>	personal event / issue	<b>career development plan</b>	<b>easier travel to work</b>
(Qiu et al., 2014)	v			v	
(Mohsin et al., 2013)	v				
(Zhou and He, 2014)	v				
(Brown, 2011)	v				
(Blomme et al., 2010)	v				
(Robinson et al., 2014)					
(Iverson and Deery, 1997)		v			
(Blomme et al., 2010b)	v				
(Tews et al., 2014)			v		
(DiPietro and Milman, 2004)					v
(Dipietro et al., 2007)					v
(Ghiselli et al., 2001)	v		v		

## Appendix 2: Team Variables

	<b>Relationship Quality</b>	co-worker emotional support	co-worker instrumental support	department
(Choi, 2006)	v			
(Lee et al., 2012)	v			
(Pizam and Thornburg, 2000)	v			
(Kim et al., 2010)	v			
(Vasquez, 2014)	v			
(Gustafson, 2002)	v			v
(Qiu et al., 2014)	v	v		
(Mohsin et al., 2013)	v			
(Brown, 2011)	v			
(Lee and Way, 2010)				v
(Lam, 2002)	v			
(Tews et al., 2013)		v	v	
(Robinson et al., 2014)	v			
(Iverson and Deery, 1997)		v	v	
(Su et al., 2011)		v		
(Cantrell and Sarabakhsh, 1991)	v	v	v	
(Wildes and Parks, 2005)	v	v	v	
(George, 1991)		v	v	
(Tews et al., 2014)	v			
(DiPietro and Milman, 2004)	v	v		
(Feeley et al., 2008)	v			
(Krackhardt and Porter, 1986)	v			
(Johnston and Spinks, 2013)	v			
(Saporna and Claveria, 2013)	v			
(Subramanian and Shin, 2013)	v			

### Appendix 3: Organizational Variables

	work environment						
	work environment	management support	Communication	empowerment	culture	socialization	union loyalty
(Lee et al., 2012)	v						
(Pizam and Thornburg, 2000)		v					
(Xiancheng, 2010)		v	v				
(Moncarz et al., 2009)	v		v		v		
(Yang, 2010)					v	v	v
(Kim and Jogaratnam, 2010)		v					
(Vasquez, 2014)	v	v	v		v		
(Dipietro and Condly, 2007)		v					
(Gustafson, 2002)		v			v		
(Shreedaran, 2010)	v						
(Qiu et al., 2014)		v					
(Mohsin et al., 2013)						v	
(Brown, 2011)	v					v	
(Milman, 2003)	v	v	v				
(Lee and Way, 2010)	v						
(Lam, 2002)		v					
(Yang et al., 2012)	v	v	v		v		
(Poulston, 2006)							
(Iverson and Deery, 1997)					v		
(Su et al., 2011)		v					
(Blomme et al., 2010b)		v					
(Batt et al., 2014)				v			
(Severt et al., 2007)	v		v	v	v	v	
(Wildes, 2007)					v		
(Cantrell and Sarabakhsh, 1991)	v						
(Tews et al., 2013)		v			v		
(Wildes and Parks, 2005)	v	v	v				



(George, 1991)	v	v					
(Tews et al., 2014)	v	v					
(Wildes, 2008)					v		
(DiPietro and Milman, 2004)		v	v				
(Peterson and Luthans, 2006)			v				
(Krackhardt and Porter, 1986)			v				
(Johnston and Spinks, 2013)	v	v		v	v		
(Saporna and Claveria, 2013)			v				
(Subramanian and Shin, 2013)	v	v	v				
(Rahim, 2011)							

	Job Quality						
	job design / flexibility	job complexity (similar to job design)	Accuracy of job information (job identify)	job enlargement (job interesting?)	Job/employment status (high status low status)	Job security	job stress
(Lv et al., 2012)							v
(Yang et al., 2012)							v
(Dipietro and Condly, 2007)							v
(Choi, 2006)			v				
(Chan and Kuok, 2011)				v			
(Pizam and Thornburg, 2000)		v			v		v
(Xiancheng, 2010)							v
(Moncarz et al., 2009)	v						
(Yang, 2010)	v						v
(Lee et al., 2014)							
(Yavas et al., 2013)							v
(Kim and Jogaratnam, 2010)	v						v
(Lee et al., 2011)	v						
(Dipietro and Condly, 2007)	v						
(Gustafson, 2002)	v						
(Mohsin et al., 2013)	v					v	v
(Brown, 2011)	v	v		v		v	
(Milman, 2003)	v						
(Lee and Way, 2010)	v						
(Yang et al., 2012)	v	v		v			
(Blomme et al., 2010)	v						
(Iverson and Deery, 1997)	v					v	
(Su et al., 2011)							v
(Jang and George, 2012)	v	v					
(Blomme et al., 2010b)	v						
(Batt et al., 2014)						v	

(Severt et al., 2007)	v	v		v			v
(Wildes, 2007)	v						
(Cantrell and Sarabakhsh, 1991)	v					v	
(George, 1991)	v				v		v
(Wildes, 2008)	v						
(DiPietro and Milman, 2004)	v				v		
(Krackhardt and Porter, 1986)							
(Johnston and Spinks, 2013)	v						
(Saporna and Claveria, 2013)	v						
(Rahim, 2011)	v						

	Compensation and reward factors				Other HRM factor				
	salary	benefits	non-financial reward	incentive system	Promotion	performance appraisal	Training	recruitment procedure	HRM practices / initiatives
(Choi and Dickson, 2009)							v		
(Chan and Kuok, 2011)	v				v				
(Lee et al., 2012)	r	r		v					
(Pizam and Thornburg, 2000)	v	v							
(Xiancheng, 2010)	v	v			v				
(Moncarz et al., 2009)	v			v	v	v	v	v	v
(Vasquez, 2014)	v			v			v		
(Gustafson, 2002)	v				v				
(Shreedaran, 2010)						v	v	v	
(Qiu et al., 2014)	v				v		v		
(Mohsin et al., 2013)	v	r							
(Brown, 2011)	v				v		v		
(Milman, 2003)						v			
(Lee and Way, 2010)	r	r							
(Lam, 2002)							v		
(Yang et al., 2012)	v	v			v				
(Poulston, 2006)							v		
(Chiang et al., 2005)							v		
(Blomme et al., 2010)	v			v	v				
(Iverson and Deery, 1997)	v				v				
(Su et al., 2011)	v	v			v		v		
(Batt et al., 2014)	v	v			v				
(Severt et al., 2007)									v
(Wildes, 2007)	v	v			v		v		
(Cantrell and Sarabakhsh, 1991)	v				v	v	v		
(Wildes and Parks, 2005)									v
(Jung et al., 2010)									
(George, 1991)	v	v							
(Tews et al., 2014)					v				

(Wildes, 2008)	v	v			v		v		
(Aikens, 2012)									
(Harris, 2010)									v
(DiPietro and Milman, 2004)	v	v		v	v				v
(Peterson and Luthans, 2006)			v						
(Hemdi and Nasurdin, 2006)					v	v	v		v
(Saporna and Claveria, 2013)	v		v		v				
(Subramanian and Shin, 2013)				v					

	Organizational Value factor				Organization background		
	procedural / distributional justice	ethic	charity	Customer centeredness	labor shortage	owner's financial status	reputation of the organization
(Choi and Dickson, 2009)							
(Chan and Kuok, 2011)							v
(Moncarz et al., 2009)				v			
(Nadiri and Tanova, 2010)	v						
(Lee et al., 2014)		v	v				
(Gustafson, 2002)					v		
(Yang et al., 2012)						v	
(Jung et al., 2010)		v					
(Aikens, 2012)		v					
(Subramanian and Shin, 2013)	v						v

## Appendix 4: Pilot Survey Questions

<b>1. Individual factors</b>					
<b><i>1.1. Demography factor</i></b>					
1.1.1. Age (Pizam and Thornburg, 2000)					
1) In what year were you born? (enter 4-digit birth year; for example, 1976)					
1.1.2. Marital status					
2) Which of the following best describes your current relationship status? (Pizam and Thornburg, 2000)	a. single	b. Married	c. Widowed	d. Divorced	e. Separated
	f. In a domestic partnership or civil union				
1.1.3. Gender (Pizam and Thornburg, 2000)					
3) What is your gender?	a. male	b. female			
1.1.4. Race (Ghiselli et al., 2001)					
4) What is your hometown?	(dropdown list)				
5) Please describe your race/ethnicity.	(dropdown list)				
1.1.5. Education level (Mohsin et al., 2013)					
6) What is the highest level of education you have completed?	No general education	Primary school	Secondary school	High school/ vocational high school	College diploma/ Vocational college diploma
	Undergraduate degree	Postgraduate degree.			
<b><i>1.2. Job employment profile</i></b>					
1.2.1. Length of service (employment) (Pizam and Thornburg, 2000)					

7) About how long have you been working in the current company?	(dropdown list)				
1.2.2. Level of employment					
8) what is your job role? (Lee and Way, 2010)	a. Production head/	b. Senior baker/	c. Baker/	d. Trainee	
	e. Store Manager/	f. Assistant Store manager/	g. Customer service executive/	h. Customer service assistant/	i. Barista/
	j. Trainee				
1.2.3. Job category					
9) What type of shift pattern do you work? (Lee and Way, 2010)	a. morning shift	b. afternoon shift	c. night shift		
<b>1.3. performance-related factor</b>					
1.3.1. Job performance (Pizam and Thornburg, 2000)					
10) Have you ever been selected as the employee of the year?	a. yes	b. no			
11) how many times are you selected as 'employee of the year'?	(dropdown list)				
12) I get compliments from my manager frequently	1. never	2. rarely	3. every once in a while	4. sometimes	5. almost always
1.3.2. Job satisfaction (Autry and Daugherty, 2003)					
13) I feel fairly satisfied with my present job.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>1.4. Psychological factor</b>					
1.4.1. Intrinsic motivation					
14) Doing my job well increases my feeling of self-esteem. (Kim and Jogaratnam, 2010)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
15) I feel like I am a good match for my organization. (Robinson et al., 2014)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
1.4.3. Self-efficacy					



16) compared to other employees, I expect to do well on my performance evaluation. (Dipietro and Condly, 2007)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
1.4.2. Subjective norms (Lam et al., 2002)					
17) People who are most important to me think that I should quit my current job.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
1.4.4. Organizational commitment (Lee et al., 2012)					
18) I often tell my friends that the company I work for is a very good one.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
1.4.5. Work-life balance					
19) My job gives me enough time for family activities. . (Mohsin et al., 2013)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
20) My job gives me enough time to socialize. . (Mohsin et al., 2013)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
1.4.6. Career development plan					
21) I have a clear career goal.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
1.4.7 Convenience factor					
22) I chose this job because it is close from my house.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>2. Team factors</b>					
<b>2.1. Relationship quality</b> (Lee et al., 2012)					
23) Coworkers are friendly.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
24) I have good interactions with my supervisors.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>2.2. Coworker emotional support</b> (Tews et al., 2013a)					
25) My coworkers take a personal interest in me.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>2.3. Coworker instrumental support</b> (Tews et al., 2013a)					
26) My coworkers help me out when things get demanding.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>2.4. Department / team</b> (Lee and Way, 2010)					
27) which department / team do you work with?	(dropdown list)	Production	Service area		
<b>3. Organizational factors</b>					
<b>3.1. Working environment</b>					

3.1.1. work environment					
28) My job provides a pleasant working environment. (Brown, 2011)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
29) The facilities at my organization is in keeping with the type of services expected of me. (Wildes and Parks, 2005)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
3.1.2. Management support					
30) When I have problems, my managers show a sincere interest in solving it. (Wildes and Parks, 2005)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
31) I can trust managers at my organizations. (Wildes and Parks, 2005)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
3.1.3. Communication					
32) Senior management practices open communication and sharing of information with employee. (Moncarz et al., 2009)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
33) My company celebrates work achievement. E.g. public recognition for outstanding results and employees of the month programs. (Tews et al., 2013b)	1. never	2. rarely	3. every once in a while	4. sometimes	5. almost always
<b>3.2. Job quality</b>					
3.2.1. Job design / flexibility (Hackman and Oldham, 1974)					
34) My job requires me to do many different things, using a number of different skills and talents.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
35) I receive frequent feedback from my manager.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
3.2.2. Job / employment status					
36) Type of job contract	a. part-time	b. full-time			
3.2.3. Job security					
37) my job is very secure. (Mohsin et al., 2013)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
38) My company provides long term career vision to me.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
3.2.4. Job stress (Mohsin et al., 2013)					
39) Job-related problems keep me awake all night.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
40) I feel that I have too heavy a workload, one that you cannot possible finish in a normal workday.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>3.3. Compensation / reward factor</b>					
3.3.1. Salary / benefit / incentives (Lee et al., 2012)					

41) I am very satisfied with my salary.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>3.4. Other HRM factors</b> (Moncarz et al., 2009)					
3.4.1. Promotion / development					
42) Your employer supports promoting employees from within organization.	1. low practice / performance	2.	3. moderate practice / performance	4.	5. high practice / performance
43) my employer provides job-development/career path guidance for employees.	1. low practice / performance	2.	3. moderate practice / performance	4.	5. high practice / performance
3.4.2. Performance appraisal					
44) My employer has regularly scheduled employee performance appraisal periods for employees.	1. low practice / performance	2.	3. moderate practice / performance	4.	5. high practice / performance
3.4.3. Training (Moncarz et al., 2009)					
45) Regular training program is practiced at your establishment.	1. low practice / performance	2.	3. moderate practice / performance	4.	5. high practice / performance
46) Your establishment has buddy/mentor programs for employees.	1. low practice / performance	2.	3. moderate practice / performance	4.	5. high practice / performance
<b>3.5. Organizational culture (value)</b>					
3.5.1. Procedural / distributional / interactional justice (culture) (Nadiri and Tanova, 2010)					
47) There are fair rewards with regard to responsibilities in my establishment.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
48) My establishment is listening to others before decision making.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
49) people are treated consistently in my establishment.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
3.5.2. Ethic (Lee et al., 2014b)					

50) My organization follows ethical standards and policies.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
3.5.3. Customer centeredness (Moncarz et al., 2009)					
51) We have customer-quality assurance goals that are communicated to employees.	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
<b>4. Turnover intention</b>					
52) In the past year, I have considered working somewhere else. (Autry and Daugherty, 2003)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree
53) I intend to quit my current job. (Lee et al., 2012)	1. strongly disagree	2. disagree	3. neutral	4. agree	5. strongly agree

## Appendix 5: Survey invitation letter

Edinburgh Business School

10<sup>th</sup> Jan 2016

Han Jung Woo

307 Nguyễn Trọng Tuyển, 10, Phú Nhuận, Hồ Chí Minh, Vietnam

Dear Participants:

I am writing on behalf of the Edinburgh Business School to request your help with an important project. As part of my doctor of business administration (DBA) program I'm conducting a survey of XYZ Bakery Vietnam to ask about 'reasons for employee turnover intention'.

Let me introduce first. I'm Han Jung Woo (Mr.) currently teaching business programs at University of Sunderland, PSB College and Keuka College. Also, at the time I'm taking a DBA program from Edinburgh Business School to understand employee turnover issues in food & beverage industry in Vietnam.

As part of the DBA program, you were selected to be part of this project because you are an employee of XYZ Bakery Vietnam and this research project focus on a case study of the store employees. I know that you are busy for work, but I hope that you will take just a little time to participate in this brief web survey created by me for the DBA program.

To complete the survey online, please go to the URL below

([www.xxx.xxx](http://www.xxx.xxx)).

You can only participate the survey once. If you do not have access to the internet, or prefer to answer the questionnaire on paper, you may request a paper survey by sending an e-mail to [cargoxxx@gmail.com](mailto:cargoxxx@gmail.com) or calling 098 595 xxxx.

As a token of our appreciation for your participation in this important study, upon receipt of your completed questionnaire, 50,000 VND will be donated to UNICEF for children in need.

Your answers will be completely confidential. Your answer and identity won't show up in the result. In other words, XYZ Bakery management won't be able to see any individual identify in the results, but only summary of results will be provided by a summary format, so again no one will link you to your responses.

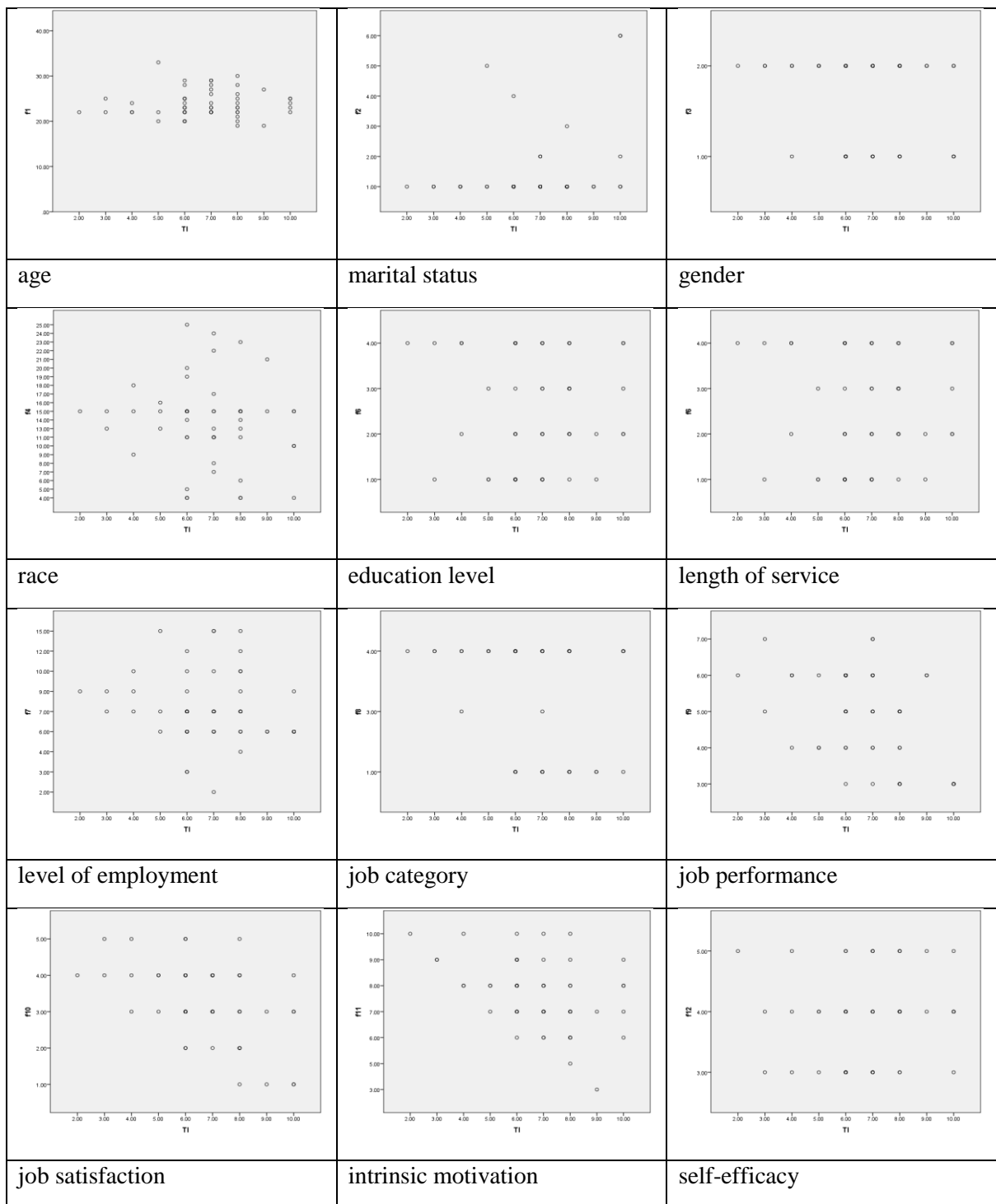
Thank you in advance for your participation in this important project. If you have any questions about the administration of the survey, please contact Han Jung Woo at [cargoxxx@gmail.com](mailto:cargoxxx@gmail.com) or 098 595 xxxx.

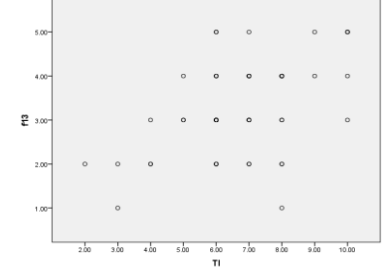
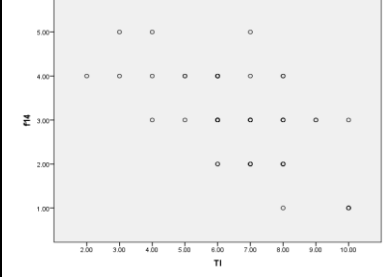
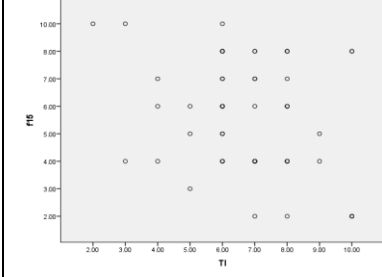
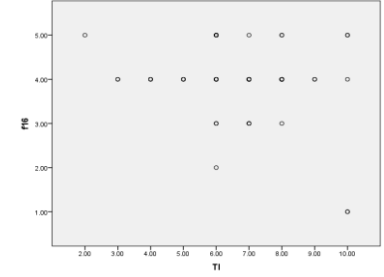
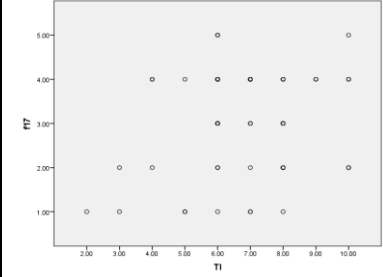
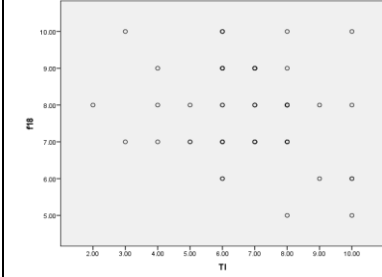
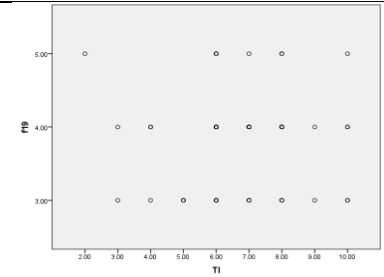
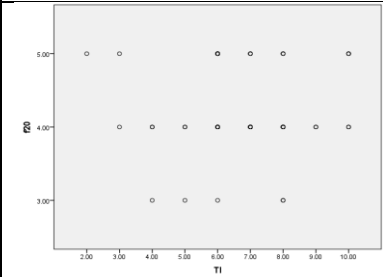
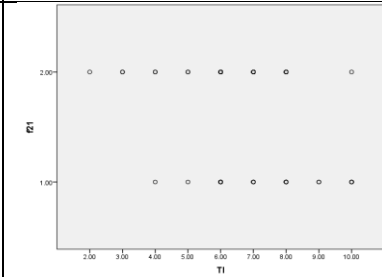
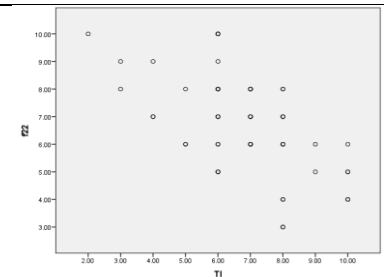
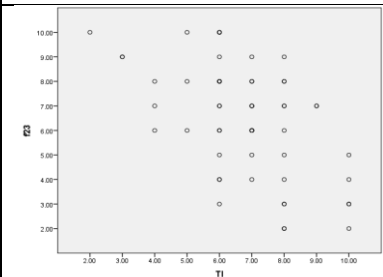
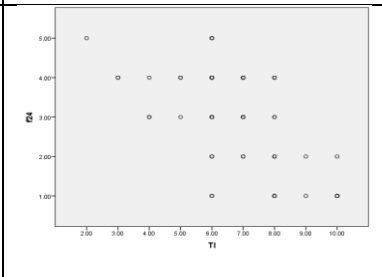
Sincerely,

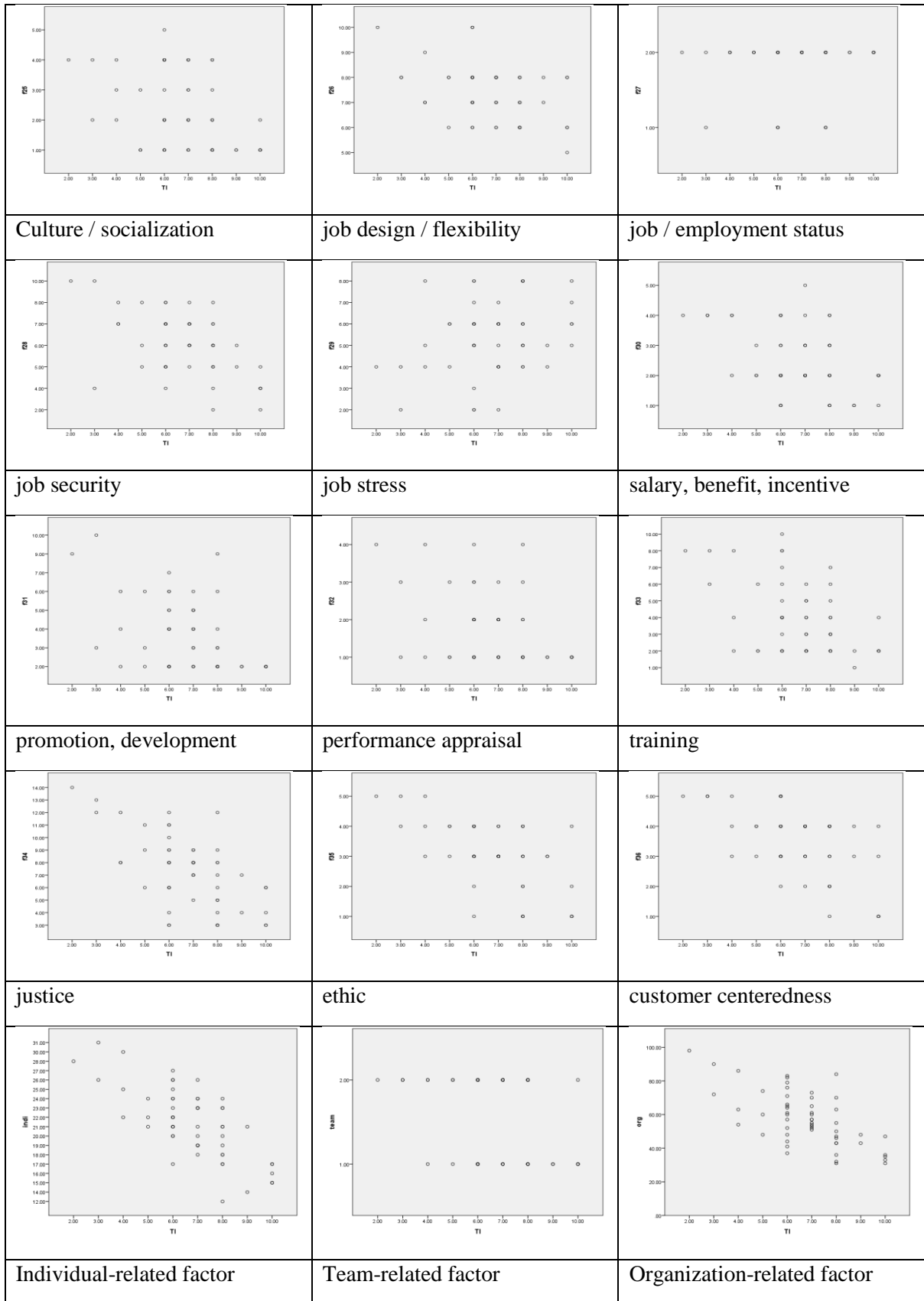
Han Jung Woo, Lecturer

University of Sunderland / Keuka College / PSB College

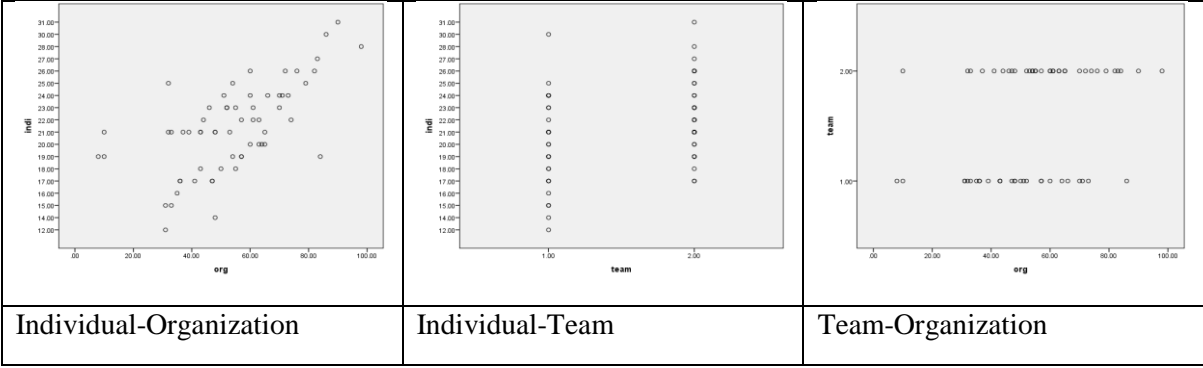
## Appendix 6: Scatterplot between factor and Turnover Intention



		
subjective norms	organizational commitment	work-life balance
		
career development plan	convenience factor	relationship quality
		
co-worker emotional support	co-worker instrumental support	department / team
		
work environment	management support	Communication







## Appendix 7: Factors on Three Levels

Factor code	Category	Factor	Question Code	Eliminated / Added Item
F1	Individual (IF)	Age	Q1	
F2		Marital Status	Q2	
F3		Gender	Q3	
F4		Race	Q4	
			Q5	
F5		Education Level	Q6	
F6		Length of Service	Q7	
F7		Level of Employment	Q8	
F8		Job Category	Q9	
F9		Job Performance	Q10	
			Q11	
			Q12	
F10		Job Satisfaction	Q13	
F11		Intrinsic Motivation	Q14	
			Q15	
F12		Self-Efficacy	Q16	Eliminated
F13		Subjective Norms	Q17	
F14		Organizational Commitment	Q18	
F15	Work-Life Balance	Q19	Eliminated	
		Q20	Eliminated	
F16	Career Development Plan	Q21	Eliminated	
F17	Convenience Factor	Q22	Eliminated	
F18	Team (TF)	Relationship Quality	Q23	
			Q24	
F19		Coworker Emotional Support	Q25	
F20		Coworker Instrumental Support	Q26	
F21a		Department / Team	Q27	
F22b		Store	Q28	Added
F22	Organizational (OF)	Work Environment	Q29	
			Q30	
F23		Management Support	Q31	
			Q32	
F24		Communication	Q33	
F25		Culture / Socialization	Q34	
F26		Job Design / Flexibility	Q35	
			Q36	
F27		Job / Employment Status	Q37	Eliminated
F28		Job Security	Q38	

			Q39	
F29		Job Stress	Q40	Eliminated
			Q41	Eliminated
F30		Salary, Benefit, Incentive	Q42	
F31		Promotion, Development	Q43	
			Q44	
F32		Performance Appraisal	Q45	
F33		Training	Q46	
			Q47	
F34		Justice	Q48	
			Q49	
			Q50	
F35		Ethic	Q51	
F36		Customer Centeredness	Q52	
TI	TI	Turnover Intention	Q53	
			Q54	

## Appendix 8: DEF Café Measurements

Question	Factor		Category
1) Given the opportunity, I tell others great things about working here	F14	Organizational Commitment	Organizational
2) I would, without hesitation, recommend this Company to a friend seeking employment	F14	Organizational Commitment	Organizational
3) This Company inspires me to do my best work every day	F11	Intrinsic Motivation	Individual
4) This Company motivates me to contribute more than is normally required to complete my work	F11	Intrinsic Motivation	Individual
5) I rarely think about leaving this Company to work somewhere else	TI	Turnover Intention	Turnover
6) It would take a lot to get me to leave this Company	TI	Turnover Intention	Turnover
7) I see strong evidence of effective leadership from senior leaders	F23	Management Support	Organizational
8) Senior leaders are responsive to partners' ideas and concerns	F24	Communication	Organizational
9) Senior leaders communicate a clear picture of the direction Starbucks is heading	F24	Communication	Organizational
10) In this Company, senior leaders are open and honest in communication	F24	Communication	Organizational
11) My direct supervisor / manager provides the support I need to succeed	F20	Coworker Instrumental Support	Team
12) I am comfortable approaching my direct supervisor / manager with my problems or questions	F20	Coworker Instrumental Support	Team
13) My direct supervisor / manager shows a sincere interest in me as a person, not just an employee	F19	Coworker Emotional Support	Team
14) My direct supervisor / manager listens to my suggestions and ideas	F18	Relationship Quality	Team
15) My direct supervisor / manager ensures I receive the information (e.g. new products, policies, promotions) I need to serve our customers	F20	Coworker Instrumental Support	Team

16) My direct supervisor / manager supports and encourages my development	F19	Coworker Emotional Support	Team
17) My direct supervisor / manager provides the time and support I need to develop my coffee knowledge	F20	Coworker Instrumental Support	Team
18) My direct supervisor / manager provides coaching and effective feedback on my performance	F20	Coworker Instrumental Support	Team
19) My partners at store / in my team respect my thoughts and feelings	F19	Coworker Emotional Support	Team
20) My relationships with my customers are rewarding	F36	Customer Centeredness	Organizational
21) I have the authority to make decisions necessary to meet the needs of the customers I serve	F26	Job Design / Flexibility	Organizational
22) We are responsive to the changing needs of our customers	F36	Customer Centeredness	Organizational
23) I am treated like a valued member of this Company	F25	Culture / Socialization	Organizational
24) This Company is considered one of the best places to work	F10	Job Satisfaction	Individual
25) Our HR practices create a positive work environment for me	F22	Work Environment	Organizational
26) Overall communication at this Company is effective	F24	Communication	Organizational
27) The way we manage performance here keeps me focused on achieving this Company's goals	F32	Performance Appraisal	Organizational
28) The way my performance is measured seems fair to me	F34	Justice	Organizational
29) This Company delivers on the promises it makes to its employees	F34	Justice	Organizational
30) We have a work environment that is open and accepts individual differences	F25	Culture / Socialization	Organizational
31) This Company provides the support I need to develop ideas that will help make it more successful	F23	Management Support	Organizational
32) Our Company recognizes the need to balance social, environmental and financial responsibilities	F35	Ethic	Organizational

33) I am paid fairly for the contributions I make to the Company's success	F30	Salary, Benefit, Incentive	Organizational
34) Overall, my benefit plan meets my needs well	F30	Salary, Benefit, Incentive	Organizational
35) I receive appropriate recognition (beyond pay and benefits) for my contributions and accomplishments	F32	Performance Appraisal	Organizational
36) I truly enjoy my day-to-day work tasks	F10	Job Satisfaction	Individual
37) I get a sense of accomplishment from my work	F9	Job Performance	Individual
38) The tools and resources I have allow me to be as productive as possible	F22	Work Environment	Organizational
39) The work processes we have in place (cashiering, serving, product receiving and returning, product ordering, etc.) allow me to be as productive as possible	F22	Work Environment	Organizational
40) My future career opportunities here look good	F31	Promotion, Development	Organizational
41) I know what career opportunities are available to me in Starbucks	F31	Promotion, Development	Organizational
42) This Company strongly supports the learning and development of its partners	F33	Training	Organizational
43) This Company has an effective process to help me identify my development needs	F31	Promotion, Development	Organizational
44) This Company allows me to apply my expertise and experience at work	F26	Job Design / Flexibility	Organizational
45) The balance between my work and personal commitments is right for me	F15	Work Life Balance	Individual
46) The physical work environment at Starbucks is appropriate for the type of work I do	F22	Work Environment	Organizational
47) Occupational health & safety are considered important in this Company	F22	Work Environment	Organizational

48) Hygiene and food safety are considered important in this Company	F22	Work Environment	Organizational
49) Considering everything, I am satisfied with my work at Starbucks	F10	Job Satisfaction	Individual
50) The Mission Statement and Guiding Principles provide meaningful direction for me in my job at Starbucks	F24	Communication	Organizational
51) You have been working in the Company for:	F6	Length of Service	Individual
51) Your age is:	F1	Age	Individual
53) Your employment level is	F7	Role	Individual
54) Store	F21a	Team	Team

**Table 11.8. Correlation Coefficient A**

	<b>F9</b>	<b>F10</b>	<b>F11</b>	<b>F13</b>	<b>F14</b>	<b>F18</b>	<b>F19</b>	<b>F20</b>	<b>F22</b>	<b>F23</b>	<b>TI</b>
<b>F9</b>	1.000	.542**	.310**	-.208**	.647**	.207**	.311**	.138**	.500**	.305**	-.512**
<b>F10</b>	.542**	1.000	.569**	-.329**	.662**	.448**	.412**	.366**	.724**	.621**	-.678**
<b>F11</b>	.310**	.569**	1.000	-.212**	.386**	.465**	.481**	.471**	.569**	.552**	-.532**
<b>F13</b>	-.208**	-.329**	-.212**	1.000	-.380**	-.192*	-0.088	0.075	-.182*	-.346**	.490**
<b>F14</b>	.647**	.662**	.386**	-.380**	1.000	.308**	.323**	.229**	.628**	.509**	-.588**
<b>F18</b>	.207**	.448**	.465**	-.192*	.308**	1.000	.663**	.693**	.482**	.527**	-.369**
<b>F19</b>	.311**	.412**	.481**	-0.088	.323**	.663**	1.000	.667**	.444**	.405**	-.402**
<b>F20</b>	.138**	.366**	.471**	0.075	.229**	.693**	.667**	1.000	.425**	.435**	-.323**
<b>F22</b>	.500**	.724**	.569**	-.182*	.628**	.482**	.444**	.425**	1.000	.656**	-.629**
<b>F23</b>	.305**	.621**	.552**	-.346**	.509**	.527**	.405**	.435**	.656**	1.000	-.584**
<b>F24</b>	.415**	.645**	.558**	-.377**	.580**	.513**	.423**	.407**	.680**	.768**	-.623**
<b>F25</b>	.608**	.594**	.404**	-.353**	.633**	.376**	.368**	.277**	.641**	.576**	-.606**
<b>F26</b>	.493**	.563**	.438**	-0.088	.550**	.415**	.383**	.327**	.599**	.535**	-.464**
<b>F28</b>	.183*	.518**	.319**	-.436**	.519**	.369**	.161*	0.139	.506**	.560**	-.520**
<b>F30</b>	.506**	.671**	.484**	-.444**	.588**	.360**	.342**	.293**	.679**	.592**	-.641**
<b>F31</b>	.695**	.650**	.404**	-.337**	.668**	.330**	.384**	.266**	.630**	.500**	-.634**
<b>F32</b>	.665**	.620**	.434**	-.306**	.653**	.352**	.387**	.282**	.653**	.522**	-.634**
<b>F33</b>	.620**	.593**	.396**	-.311**	.647**	.300**	.347**	.291**	.646**	.504**	-.595**
<b>F34</b>	.532**	.647**	.504**	-.402**	.619**	.422**	.430**	.354**	.699**	.667**	-.642**
<b>F35</b>	.500**	.600**	.510**	-.393**	.641**	.343**	.384**	.325**	.674**	.603**	-.558**
<b>F36</b>	.460**	.483**	.345**	-.298**	.569**	.308**	.298**	.299**	.531**	.426**	-.444**
<b>TI</b>	-.512**	-.678**	-.532**	.490**	-.588**	-.369**	-.402**	-.323**	-.629**	-.584**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

**Table 11.9. Correlation Coefficient B**



	<b>F24</b>	<b>F25</b>	<b>F26</b>	<b>F28</b>	<b>F30</b>	<b>F31</b>	<b>F32</b>	<b>F33</b>	<b>F34</b>	<b>F35</b>	<b>F36</b>	<b>TI</b>
<b>F9</b>	.415**	.608**	.493**	.183*	.506**	.695**	.665**	.620**	.532**	.500**	.460**	-.512**
<b>F10</b>	.645**	.594**	.563**	.518**	.671**	.650**	.620**	.593**	.647**	.600**	.483**	-.678**
<b>F11</b>	.558**	.404**	.438**	.319**	.484**	.404**	.434**	.396**	.504**	.510**	.345**	-.532**
<b>F13</b>	-.377**	-.353**	-.0088	-.436**	-.444**	-.337**	-.306**	-.311**	-.402**	-.393**	-.298**	.490**
<b>F14</b>	.580**	.633**	.550**	.519**	.588**	.668**	.653**	.647**	.619**	.641**	.569**	-.588**
<b>F18</b>	.513**	.376**	.415**	.369**	.360**	.330**	.352**	.300**	.422**	.343**	.308**	-.369**
<b>F19</b>	.423**	.368**	.383**	.161*	.342**	.384**	.387**	.347**	.430**	.384**	.298**	-.402**
<b>F20</b>	.407**	.277**	.327**	0.139	.293**	.266**	.282**	.291**	.354**	.325**	.299**	-.323**
<b>F22</b>	.680**	.641**	.599**	.506**	.679**	.630**	.653**	.646**	.699**	.674**	.531**	-.629**
<b>F23</b>	.768**	.576**	.535**	.560**	.592**	.500**	.522**	.504**	.667**	.603**	.426**	-.584**
<b>F24</b>	1.000	.658**	.569**	.590**	.665**	.620**	.628**	.621**	.736**	.675**	.530**	-.623**
<b>F25</b>	.658**	1.000	.568**	.429**	.668**	.789**	.798**	.749**	.733**	.643**	.560**	-.606**
<b>F26</b>	.569**	.568**	1.000	.328**	.484**	.591**	.528**	.573**	.560**	.635**	.627**	-.464**
<b>F28</b>	.590**	.429**	.328**	1.000	.531**	.545**	.483**	.491**	.628**	.588**	.462**	-.520**
<b>F30</b>	.665**	.668**	.484**	.531**	1.000	.684**	.739**	.660**	.740**	.638**	.439**	-.641**
<b>F31</b>	.620**	.789**	.591**	.545**	.684**	1.000	.887**	.861**	.747**	.662**	.561**	-.634**
<b>F32</b>	.628**	.798**	.528**	.483**	.739**	.887**	1.000	.824**	.772**	.656**	.508**	-.634**
<b>F33</b>	.621**	.749**	.573**	.491**	.660**	.861**	.824**	1.000	.712**	.677**	.615**	-.595**
<b>F34</b>	.736**	.733**	.560**	.628**	.740**	.747**	.772**	.712**	1.000	.736**	.527**	-.642**
<b>F35</b>	.675**	.643**	.635**	.588**	.638**	.662**	.656**	.677**	.736**	1.000	.594**	-.558**
<b>F36</b>	.530**	.560**	.627**	.462**	.439**	.561**	.508**	.615**	.527**	.594**	1.000	-.444**
<b>TI</b>	-.623**	-.606**	-.464**	-.520**	-.641**	-.634**	-.634**	-.595**	-.642**	-.558**	-.444**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

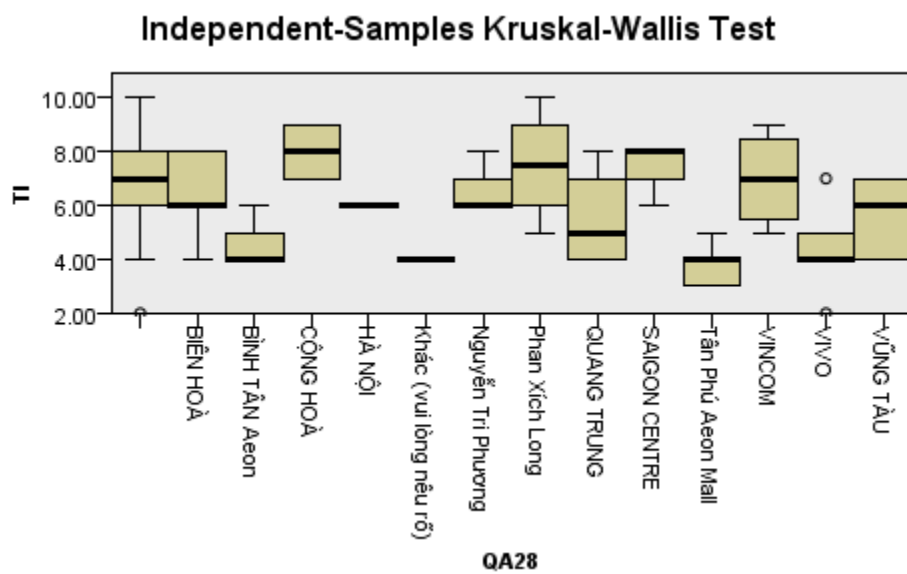
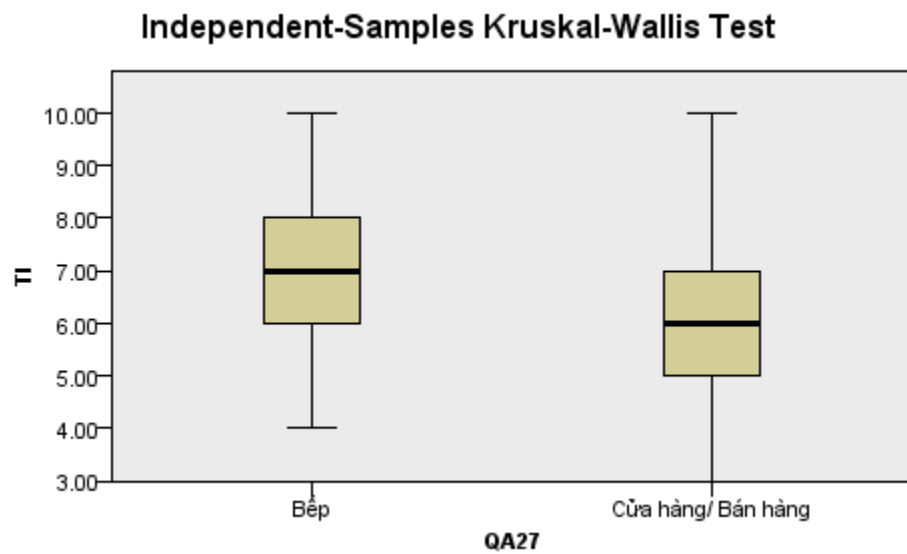
\**. Correlation is significant at the 0.05 level (2-tailed).*

*Table 11.11. Item-Total Statistics*

<b>Factor Level</b>	<b>Factor code</b>	<b>Scale Mean if Item Deleted</b>	<b>Scale Variance if Item Deleted</b>	<b>Corrected Item-Total Correlation</b>	<b>Squared Multiple Correlation</b>	<b>Cronbach's Alpha if Item Deleted</b>
Individual	F9	14.7	34.541	.316	.108	.668
	F10	13.00	27.680	.559	.361	.562
	F11	12.3	35.071	.339	.164	.660
	F13	24.8	27.625	.401	.188	.647
	F14	13.3	27.433	.554	.347	.563
Team	F18	15.1687	11.419	.758	.585	.803
	F19	15.3200	12.084	.715	.512	.842
	F20	14.8201	12.502	.771	.599	.794
Organizational	F22	66.4371	413.801	.621	.478	.930
	F23	66.4944	391.258	.748	.698	.926
	F24	66.7882	377.382	.788	.721	.924
	F25	68.8089	375.908	.677	.545	.930
	F26	65.8925	433.177	.472	.336	.934
	F28	67.0605	407.948	.679	.512	.929
	F30	68.2357	394.146	.627	.465	.930
	F31	69.3893	377.428	.758	.725	.925
	F32	69.9124	381.002	.730	.742	.926
	F33	68.9666	375.776	.758	.680	.925
	F34	68.0494	388.766	.841	.744	.923
	F35	66.6449	391.705	.766	.672	.925
	F36	65.7850	404.950	.627	.562	.930

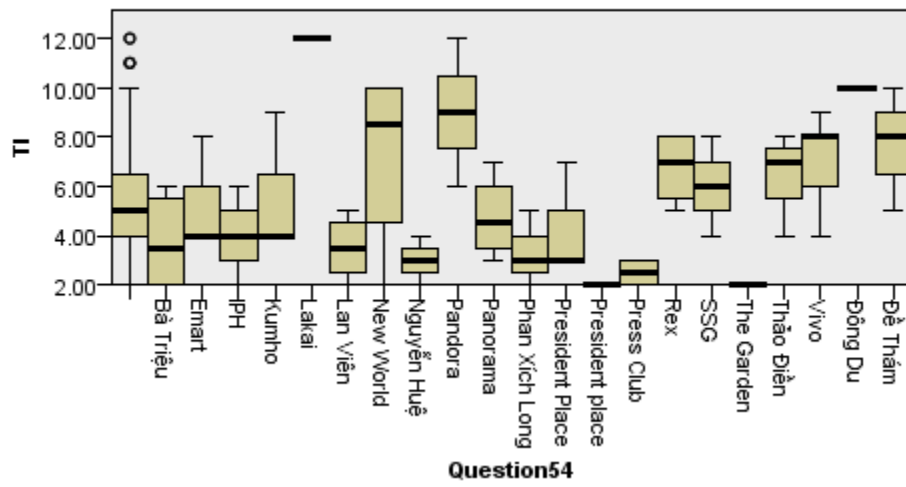
*Kruskal Wallis H Test*

*XYZ team test*



*DEF Cafe Test*

### Independent-Samples Kruskal-Wallis Test



## Appendix 9: Merged Data Correlations Table

	<b>F9</b>	<b>F10</b>	<b>F11</b>	<b>F13</b>	<b>F14</b>	<b>F18</b>	<b>F19</b>	<b>F20</b>	<b>F22</b>	<b>F23</b>	<b>TI</b>
<b>F9</b>	1.000	.542**	.310**	-.208**	.647**	.207**	.311**	.138**	.500**	.305**	-.512**
<b>F10</b>	.542**	1.000	.569**	-.329**	.662**	.448**	.412**	.366**	.724**	.621**	-.678**
<b>F11</b>	.310**	.569**	1.000	-.212**	.386**	.465**	.481**	.471**	.569**	.552**	-.532**
<b>F13</b>	-.208**	-.329**	-.212**	1.000	-.380**	-.192*	-0.088	0.075	-.182*	-.346**	.490**
<b>F14</b>	.647**	.662**	.386**	-.380**	1.000	.308**	.323**	.229**	.628**	.509**	-.588**
<b>F18</b>	.207**	.448**	.465**	-.192*	.308**	1.000	.663**	.693**	.482**	.527**	-.369**
<b>F19</b>	.311**	.412**	.481**	-0.088	.323**	.663**	1.000	.667**	.444**	.405**	-.402**
<b>F20</b>	.138**	.366**	.471**	0.075	.229**	.693**	.667**	1.000	.425**	.435**	-.323**
<b>F22</b>	.500**	.724**	.569**	-.182*	.628**	.482**	.444**	.425**	1.000	.656**	-.629**
<b>F23</b>	.305**	.621**	.552**	-.346**	.509**	.527**	.405**	.435**	.656**	1.000	-.584**
<b>F24</b>	.415**	.645**	.558**	-.377**	.580**	.513**	.423**	.407**	.680**	.768**	-.623**
<b>F25</b>	.608**	.594**	.404**	-.353**	.633**	.376**	.368**	.277**	.641**	.576**	-.606**
<b>F26</b>	.493**	.563**	.438**	-0.088	.550**	.415**	.383**	.327**	.599**	.535**	-.464**
<b>F28</b>	.183*	.518**	.319**	-.436**	.519**	.369**	.161*	0.139	.506**	.560**	-.520**
<b>F30</b>	.506**	.671**	.484**	-.444**	.588**	.360**	.342**	.293**	.679**	.592**	-.641**
<b>F31</b>	.695**	.650**	.404**	-.337**	.668**	.330**	.384**	.266**	.630**	.500**	-.634**
<b>F32</b>	.665**	.620**	.434**	-.306**	.653**	.352**	.387**	.282**	.653**	.522**	-.634**
<b>F33</b>	.620**	.593**	.396**	-.311**	.647**	.300**	.347**	.291**	.646**	.504**	-.595**
<b>F34</b>	.532**	.647**	.504**	-.402**	.619**	.422**	.430**	.354**	.699**	.667**	-.642**
<b>F35</b>	.500**	.600**	.510**	-.393**	.641**	.343**	.384**	.325**	.674**	.603**	-.558**
<b>F36</b>	.460**	.483**	.345**	-.298**	.569**	.308**	.298**	.299**	.531**	.426**	-.444**
<b>TI</b>	-.512**	-.678**	-.532**	.490**	-.588**	-.369**	-.402**	-.323**	-.629**	-.584**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

## Appendix 10: Cronbach's Alpha

### *Item-Total Statistics for Merged Data*

#### Individual Factors:

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
F9	14.7	34.541	.316	.108	.668
F10	13.00	27.680	.559	.361	.562
F11	12.3	35.071	.339	.164	.660
F13	24.8	27.625	.401	.188	.647
F14	13.3	27.433	.554	.347	.563

#### Team Factors

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
F18	15.1687	11.419	.758	.585	.803
F19	15.3200	12.084	.715	.512	.842
F20	14.8201	12.502	.771	.599	.794

#### Organizational Factors

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
F22	66.4371	413.801	.621	.478	.930
F23	66.4944	391.258	.748	.698	.926
F24	66.7882	377.382	.788	.721	.924
F25	68.8089	375.908	.677	.545	.930
F26	65.8925	433.177	.472	.336	.934
F28	67.0605	407.948	.679	.512	.929
F30	68.2357	394.146	.627	.465	.930
F31	69.3893	377.428	.758	.725	.925
F32	69.9124	381.002	.730	.742	.926
F33	68.9666	375.776	.758	.680	.925
F34	68.0494	388.766	.841	.744	.923
F35	66.6449	391.705	.766	.672	.925
F36	65.7850	404.950	.627	.562	.930

### Appendix 11: Outer VIF Values

Factor Code	VIF
F10	2.195
F11	1.402
F14	2.054
F18	2.409
F19	2.042
F20	2.493
F22	2.726
F23	2.965
F24	3.552
F25	3.397
F26	1.988
F30	2.895
F31	6.908
F32	6.783
F33	4.881
F34	4.203
F35	2.857
F36	2.140
F9	1.673
TI	1.000

## Appendix 12: Outer Weights by Bootstrapping

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
F10 -> IF	0.509	0.508	0.061	8.291	0.000
F11 -> IF	0.255	0.257	0.047	5.459	0.000
F14 -> IF	0.305	0.303	0.070	4.361	0.000
F18 -> TF	0.628	0.622	0.166	3.791	0.000
F19 -> TF	0.421	0.422	0.134	3.148	0.002
F20 -> TF	0.052	0.044	0.168	0.312	0.755
F22 -> OF	0.374	0.373	0.058	6.399	0.000
F23 -> OF	0.236	0.235	0.057	4.160	0.000
F24 -> OF	0.027	0.031	0.064	0.426	0.670
F25 -> OF	-0.013	-0.015	0.061	0.212	0.832
F26 -> OF	0.155	0.151	0.049	3.150	0.002
F30 -> OF	0.178	0.174	0.059	2.998	0.003
F31 -> OF	0.180	0.181	0.089	2.033	0.042
F32 -> OF	0.090	0.088	0.081	1.111	0.267
F33 -> OF	-0.061	-0.060	0.071	0.853	0.394
F34 -> OF	0.058	0.058	0.071	0.813	0.416
F35 -> OF	-0.016	-0.017	0.059	0.275	0.784
F36 -> OF	-0.001	-0.001	0.057	0.018	0.986
F9 -> IF	0.154	0.151	0.055	2.824	0.005
TI <- TI	1.000	1.000	0.000		



### Appendix 13: Outer loadings

	IF	OF	TF	TI
F10	0.925			
F11	0.682			
F14	0.823			
F18			0.943	
F19			0.869	
F20			0.794	
F22		0.904		
F23		0.812		
F24		0.806		
F25		0.741		
F26		0.709		
F30		0.812		
F31		0.784		
F32		0.785		
F33		0.742		
F34		0.841		
F35		0.747		
F36		0.613		
F9	0.681			
TI				1.000

## Appendix 14: Interviewee Demography

No.	Gender	Year of Birth	Education	Ethnicity	Marital Status	Hometown	Position	Job Contract	Length of Service (Month)
1	Male	1997	High School Diploma	Kinh	Single	Đồng Tháp	Assistant baker	Full time	<i>n.a.</i> *
2	Male	1989	2-Year College	Kinh	Single	Thua Thien Hue	Store manager	Full time	12
3	Male	1993	2-Year College	Kinh	Single	Binh Duong	Sales team leader	Full time	18
4	Female	1994	High School Diploma	Kinh	Single	HCMC	Sales team leader	Full time	48
5	Male	1991	High School Diploma	Kinh	Single	Bac Giang	Assistant baker	Full time	3
6	Female	1993	High School Diploma	Kinh	Single	HCMC	Full time sales	Full time	16
7	Female	1994	High School Diploma	Kinh	Single	Lam Dong	Sales team leader	Full time	36
8	Female	1993	2-Year College	Chinese	Single	Trieu Chau, China	Part time sales	Part time	6
9	Female	1995	High School Diploma	Kinh	Single	HCMC	Part time sales	Part time	20
10	Male	1991	High School Diploma	Kinh	Single	Lao Cai	Kitchen team leader	Full time	60
11	Female	1988	Middle School	Kinh	Married	Hai Duong	Kitchen team leader	Full time	48
12	Male	1992	High School Diploma	Kinh	Single	Quang Nam	Baker	Full time	24
13	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	HR manager	Full time	<i>n.a.</i>
14	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Assistant baker	Full time	<i>n.a.</i>
15	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Full time sales	Full time	1
16	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Full time sales	Full time	7
17	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Full time sales	Full time	9
18	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Store manager	Full time	24
19	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Sales team leader	Full time	-
20	Male	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Kitchen team leader	Full time	48
21	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Part time sales	Part time	7
22	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Assistant baker	Full time	<i>n.a.</i>

*\*not available for confidential agreement*

### Appendix 15: Kruskal Wallis H Test Result

Case	Null Hypothesis	Test	Sig.	Decision
XYZ Bakery	The Distribution of TI is the same across categories of QA27 (Team).	Independent-Samples Kruskal-Wallis Test	.006	Reject the null hypothesis.
XYZ Bakery	The Distribution of TI is the same across categories of QA28 (Store).	Independent-Samples Kruskal-Wallis Test	.003	Reject the null hypothesis.
ABC Café	The Distribution of TI is the same across categories of QA22 (Store).	Independent-Samples Kruskal-Wallis Test	.475	Retain the null hypothesis.
DEF Café	The Distribution of TI is the same across categories of QA54 (Store).	Independent-Samples Kruskal-Wallis Test	.002	Reject the null hypothesis.

*\*The significant level = 0.05*

## Appendix 16: Correlations Comparison

	Code	XYZ Bakery	ABC Café	DEF Café
Job Performance	F9	-.304**	0.107	-.464**
Job Satisfaction	F10	-.453**	-.619**	-.737**
Intrinsic Motivation	F11	-.285**	-.310*	-.665**
Subjective Norms	F13	.568**	0.245	
Organizational Commitment	F14	-.576**	-.368*	-.504**
Relationship Quality	F18	-.187*	-.383**	-.474**
Coworker Emotional Support	F19	0.002	-0.218	-.559**
Coworker Instrumental Support	F20	0.103	-0.265	-.560**
Work Environment	F22	-.447**	-.482**	-.645**
Management Support	F23	-.547**	-.502**	-.650**
Communication	F24	-.594**	-.384**	-.664**
Culture / Socialization	F25	-.428**	-0.266	-.603**
Job Design / Flexibility	F26	-.237*	-0.138	-.524**
Job Security	F28	-.541**	-.456**	
Salary, Benefit, Incentive	F30	-.502**	-.453**	-.591**
Promotion, Development	F31	-.444**	-.380**	-.640**
Performance Appraisal	F32	-.447**	-.295*	-.610**
Training	F33	-.487**	-0.244	-.570**
Justice	F34	-.612**	-.355*	-.535**
Ethic	F35	-.468**	-.334*	-.469**
Customer Centeredness	F36	-.453**	0.022	-.424**

## Appendix 17: XYZ Bakery Correlations Table

	<b>F9</b>	<b>F10</b>	<b>F11</b>	<b>F13</b>	<b>F14</b>	<b>F18</b>	<b>F19</b>	<b>F20</b>	<b>F21a</b>	<b>F22</b>	<b>F23</b>	<b>TI</b>
<b>F9</b>	1.000	.331**	.215*	-.261**	.359**	.309**	.178*	0.075	0.082	0.154	.271**	-.304**
<b>F10</b>	.331**	1.000	.422**	-.306**	.464**	.419**	0.141	0.173	.207*	.590**	.570**	-.453**
<b>F11</b>	.215*	.422**	1.000	-0.129	.233**	.379**	.322**	.333**	-0.024	.372**	.400**	-.285**
<b>F13</b>	-.261**	-.306**	-0.129	1.000	-.433**	-0.153	-0.018	.211*	-0.174	-.179*	-.396**	.568**
<b>F14</b>	.359**	.464**	.233**	-.433**	1.000	.301**	0.021	0.024	.268**	.485**	.618**	-.576**
<b>F18</b>	.309**	.419**	.379**	-0.153	.301**	1.000	.422**	.420**	-0.048	.479**	.449**	-.187*
<b>F19</b>	.178*	0.141	.322**	-0.018	0.021	.422**	1.000	.443**	-0.107	0.178	0.075	0.002
<b>F20</b>	0.075	0.173	.333**	.211*	0.024	.420**	.443**	1.000	-0.095	.345**	0.158	0.103
<b>F21a</b>	0.082	.207*	-0.024	-0.174	.268**	-0.048	-0.107	-0.095	1.000	0.110	.291**	-.259**
<b>F22</b>	0.154	.590**	.372**	-.179*	.485**	.479**	0.178	.345**	0.110	1.000	.605**	-.447**
<b>F23</b>	.271**	.570**	.400**	-.396**	.618**	.449**	0.075	0.158	.291**	.605**	1.000	-.547**
<b>F24</b>	.205*	.466**	.384**	-.438**	.605**	.328**	0.003	-0.033	.237**	.550**	.745**	-.594**
<b>F25</b>	0.153	.329**	.346**	-.423**	.439**	.194*	-0.030	0.023	0.135	.411**	.505**	-.428**
<b>F26</b>	.187*	.351**	.354**	-0.062	.316**	.291**	0.001	0.095	0.079	.361**	.428**	-.237*
<b>F28</b>	.254**	.518**	.325**	-.466**	.507**	.338**	0.169	0.063	0.112	.489**	.520**	-.541**
<b>F30</b>	0.120	.446**	.300**	-.582**	.485**	0.157	0.027	-0.056	.258**	.365**	.530**	-.502**
<b>F31</b>	.271**	.492**	.295**	-.333**	.437**	0.174	-0.014	0.055	.246**	.408**	.533**	-.444**
<b>F32</b>	.191*	.447**	.385**	-.337**	.460**	.261**	0.000	0.089	.196*	.388**	.540**	-.447**
<b>F33</b>	0.169	.469**	.356**	-.362**	.543**	.288**	0.039	0.181	0.153	.489**	.601**	-.487**
<b>F34</b>	0.171	.563**	.357**	-.472**	.629**	.219*	0.002	-0.030	.294**	.553**	.727**	-.612**
<b>F35</b>	.205*	.519**	.396**	-.406**	.635**	.256**	0.066	0.097	.314**	.569**	.627**	-.468**
<b>F36</b>	0.041	.350**	.226*	-.341**	.497**	.256**	0.012	0.097	.229*	.451**	.495**	-.453**
<b>TI</b>	-.304**	-.453**	-.285**	.568**	-.576**	-.187*	0.002	0.103	-.259**	-.447**	-.547**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

	<b>F24</b>	<b>F25</b>	<b>F26</b>	<b>F28</b>	<b>F30</b>	<b>F31</b>	<b>F32</b>	<b>F33</b>	<b>F34</b>	<b>F35</b>	<b>F36</b>	<b>TI</b>
<b>F9</b>	.205*	0.153	.187*	.254**	0.120	.271**	.191*	0.169	0.171	.205*	0.041	-.304**
<b>F10</b>	.466**	.329**	.351**	.518**	.446**	.492**	.447**	.469**	.563**	.519**	.350**	-.453**
<b>F11</b>	.384**	.346**	.354**	.325**	.300**	.295**	.385**	.356**	.357**	.396**	.226*	-.285**
<b>F13</b>	-.438**	-.423**	-0.062	-.466**	-.582**	-.333**	-.337**	-.362**	-.472**	-.406**	-.341**	.568**
<b>F14</b>	.605**	.439**	.316**	.507**	.485**	.437**	.460**	.543**	.629**	.635**	.497**	-.576**
<b>F18</b>	.328**	.194*	.291**	.338**	0.157	0.174	.261**	.288**	.219*	.256**	.256**	-.187*
<b>F19</b>	0.003	-0.030	0.001	0.169	0.027	-0.014	0.000	0.039	0.002	0.066	0.012	0.002
<b>F20</b>	-0.033	0.023	0.095	0.063	-0.056	0.055	0.089	0.181	-0.030	0.097	0.097	0.103
<b>F21a</b>	.237**	0.135	0.079	0.112	.258**	.246**	.196*	0.153	.294**	.314**	.229*	-.259**
<b>F22</b>	.550**	.411**	.361**	.489**	.365**	.408**	.388**	.489**	.553**	.569**	.451**	-.447**
<b>F23</b>	.745**	.505**	.428**	.520**	.530**	.533**	.540**	.601**	.727**	.627**	.495**	-.547**
<b>F24</b>	1.000	.576**	.362**	.569**	.543**	.535**	.557**	.638**	.765**	.679**	.532**	-.594**
<b>F25</b>	.576**	1.000	.220*	.477**	.551**	.567**	.676**	.550**	.619**	.545**	.445**	-.428**
<b>F26</b>	.362**	.220*	1.000	.304**	0.164	.312**	.288**	.400**	.407**	.474**	.458**	-.237*
<b>F28</b>	.569**	.477**	.304**	1.000	.534**	.518**	.512**	.500**	.639**	.576**	.437**	-.541**
<b>F30</b>	.543**	.551**	0.164	.534**	1.000	.481**	.581**	.503**	.662**	.535**	.374**	-.502**
<b>F31</b>	.535**	.567**	.312**	.518**	.481**	1.000	.790**	.742**	.650**	.577**	.372**	-.444**
<b>F32</b>	.557**	.676**	.288**	.512**	.581**	.790**	1.000	.708**	.619**	.549**	.364**	-.447**
<b>F33</b>	.638**	.550**	.400**	.500**	.503**	.742**	.708**	1.000	.663**	.658**	.560**	-.487**
<b>F34</b>	.765**	.619**	.407**	.639**	.662**	.650**	.619**	.663**	1.000	.762**	.569**	-.612**
<b>F35</b>	.679**	.545**	.474**	.576**	.535**	.577**	.549**	.658**	.762**	1.000	.638**	-.468**
<b>F36</b>	.532**	.445**	.458**	.437**	.374**	.372**	.364**	.560**	.569**	.638**	1.000	-.453**
<b>TI</b>	-.594**	-.428**	-.237*	-.541**	-.502**	-.444**	-.447**	-.487**	-.612**	-.468**	-.453**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

## Appendix 18: ABC Café Correlations Table

	F9	F10	F11	F13	F14	F18	F19	F20	F22	F23	TI
F9	1.000	0.070	0.201	-0.069	0.054	0.031	0.139	0.057	-0.062	0.109	0.107
F10	0.070	1.000	.547**	-.322*	.568**	.475**	0.217	.493**	.569**	.446**	-.619**
F11	0.201	.547**	1.000	-.422**	0.187	.551**	.489**	.582**	.511**	.436**	-.310*
F13	-0.069	-.322*	-.422**	1.000	-0.153	-0.267	-.289*	-.336*	-0.100	-0.099	0.245
F14	0.054	.568**	0.187	-0.153	1.000	.421**	0.084	.341*	.556**	.497**	-.368*
F18	0.031	.475**	.551**	-0.267	.421**	1.000	.497**	.650**	.569**	.543**	-.383**
F19	0.139	0.217	.489**	-.289*	0.084	.497**	1.000	.457**	.294*	0.132	-0.218
F20	0.057	.493**	.582**	-.336*	.341*	.650**	.457**	1.000	.312*	.439**	-0.265
F22	-0.062	.569**	.511**	-0.100	.556**	.569**	.294*	.312*	1.000	.551**	-.482**
F23	0.109	.446**	.436**	-0.099	.497**	.543**	0.132	.439**	.551**	1.000	-.502**
F24	-0.060	.440**	.528**	-0.124	.372*	.658**	0.266	.541**	.471**	.616**	-.384**
F25	0.072	0.279	0.099	-0.146	.340*	0.213	-0.048	0.146	0.194	.495**	-0.266
F26	0.275	-0.007	0.192	-0.068	0.171	.364*	0.162	0.238	0.113	.417**	-0.138
F28	0.022	.383**	.327*	-0.283	.449**	.391**	0.122	.316*	.450**	.526**	-.456**
F30	-0.151	.632**	0.279	0.013	.424**	.431**	-0.012	.359*	.503**	.385**	-.453**
F31	0.028	.325*	0.108	-0.211	.364*	0.249	-0.107	0.206	0.258	.486**	-.380**
F32	-0.036	0.224	0.082	-0.141	0.266	0.206	-0.044	0.194	0.217	.520**	-.295*
F33	-0.237	.315*	0.165	-0.082	0.231	0.184	-0.084	0.248	.415**	.455**	-0.244
F34	-0.101	.408**	0.250	-0.143	.309*	.408**	0.051	.395**	.374*	.484**	-.355*
F35	-0.194	.316*	.315*	-.327*	.416**	.469**	.456**	.536**	.371*	.362*	-.334*
F36	-0.097	0.132	0.197	-0.133	0.256	0.217	-0.017	0.287	0.274	0.226	0.022
TI	0.107	-.619**	-.310*	0.245	-.368*	-.383**	-0.218	-0.265	-.482**	-.502**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

	F24	F25	F26	F28	F30	F31	F32	F33	F34	F35	F36	TI
F9	-0.060	0.072	0.275	0.022	-0.151	0.028	-0.036	-0.237	-0.101	-0.194	-0.097	0.107
F10	.440**	0.279	-0.007	.383**	.632**	.325*	0.224	.315*	.408**	.316*	0.132	-.619**
F11	.528**	0.099	0.192	.327*	0.279	0.108	0.082	0.165	0.250	.315*	0.197	-.310*
F13	-0.124	-0.146	-0.068	-0.283	0.013	-0.211	-0.141	-0.082	-0.143	-.327*	-0.133	0.245
F14	.372*	.340*	0.171	.449**	.424**	.364*	0.266	0.231	.309*	.416**	0.256	-.368*
F18	.658**	0.213	.364*	.391**	.431**	0.249	0.206	0.184	.408**	.469**	0.217	-.383**
F19	0.266	-0.048	0.162	0.122	-0.012	-0.107	-0.044	-0.084	0.051	.456**	-0.017	-0.218
F20	.541**	0.146	0.238	.316*	.359*	0.206	0.194	0.248	.395**	.536**	0.287	-0.265
F22	.471**	0.194	0.113	.450**	.503**	0.258	0.217	.415**	.374*	.371*	0.274	-.482**
F23	.616**	.495**	.417**	.526**	.385**	.486**	.520**	.455**	.484**	.362*	0.226	-.502**
F24	1.000	.384**	.377**	.571**	.502**	.495**	.369*	.385**	.498**	.500**	.412**	-.384**
F25	.384**	1.000	0.273	0.243	0.238	.698**	.700**	.573**	.421**	0.288	0.293	-0.266
F26	.377**	0.273	1.000	0.208	-0.008	0.231	0.137	0.064	0.122	0.237	0.199	-0.138
F28	.571**	0.243	0.208	1.000	.430**	.436**	.314*	.362*	.489**	.513**	.505**	-.456**
F30	.502**	0.238	-0.008	.430**	1.000	.393**	0.246	.385**	.381**	0.245	0.098	-.453**
F31	.495**	.698**	0.231	.436**	.393**	1.000	.651**	.606**	.370*	0.267	.303*	-.380**
F32	.369*	.700**	0.137	.314*	0.246	.651**	1.000	.721**	.385**	.349*	0.204	-.295*
F33	.385**	.573**	0.064	.362*	.385**	.606**	.721**	1.000	.376**	.385**	.538**	-0.244
F34	.498**	.421**	0.122	.489**	.381**	.370*	.385**	.376**	1.000	.555**	.448**	-.355*
F35	.500**	0.288	0.237	.513**	0.245	0.267	.349*	.385**	.555**	1.000	.508**	-.334*
F36	.412**	0.293	0.199	.505**	0.098	.303*	0.204	.538**	.448**	.508**	1.000	0.022
TI	-.384**	-0.266	-0.138	-.456**	-.453**	-.380**	-.295*	-0.244	-.355*	-.334*	0.022	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*



## Appendix 19: DEF Café Correlations Table

	F9	F10	F11	F14	F18	F19	F20	F22	F23	TI
F9	1.000	.601**	.409**	.532**	.305**	.400**	.378**	.539**	.469**	-.464**
F10	.601**	1.000	.673**	.625**	.505**	.591**	.571**	.785**	.695**	-.737**
F11	.409**	.673**	1.000	.490**	.486**	.558**	.560**	.696**	.672**	-.665**
F14	.532**	.625**	.490**	1.000	.339**	.430**	.394**	.532**	.555**	-.504**
F18	.305**	.505**	.486**	.339**	1.000	.840**	.840**	.522**	.573**	-.474**
F19	.400**	.591**	.558**	.430**	.840**	1.000	.866**	.606**	.631**	-.559**
F20	.378**	.571**	.560**	.394**	.840**	.866**	1.000	.588**	.625**	-.560**
F22	.539**	.785**	.696**	.532**	.522**	.606**	.588**	1.000	.736**	-.645**
F23	.469**	.695**	.672**	.555**	.573**	.631**	.625**	.736**	1.000	-.650**
F24	.524**	.742**	.696**	.540**	.634**	.679**	.706**	.804**	.842**	-.664**
F25	.564**	.743**	.572**	.547**	.575**	.665**	.610**	.746**	.762**	-.603**
F26	.608**	.701**	.510**	.551**	.504**	.570**	.540**	.678**	.613**	-.524**
F30	.425**	.699**	.632**	.438**	.464**	.521**	.501**	.753**	.724**	-.591**
F31	.555**	.780**	.616**	.486**	.587**	.694**	.639**	.734**	.690**	-.640**
F32	.461**	.708**	.645**	.430**	.591**	.674**	.617**	.807**	.751**	-.610**
F33	.497**	.654**	.558**	.454**	.482**	.608**	.614**	.701**	.670**	-.570**
F34	.435**	.632**	.638**	.420**	.584**	.659**	.615**	.721**	.759**	-.535**
F35	.453**	.610**	.596**	.484**	.377**	.481**	.485**	.680**	.672**	-.469**
F36	.522**	.518**	.410**	.470**	.374**	.448**	.485**	.512**	.434**	-.424**
TI	-.464**	-.737**	-.665**	-.504**	-.474**	-.559**	-.560**	-.645**	-.650**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

	F24	F25	F26	F30	F31	F32	F33	F34	F35	F36	TI
F9	.524**	.564**	.608**	.425**	.555**	.461**	.497**	.435**	.453**	.522**	-.464**
F10	.742**	.743**	.701**	.699**	.780**	.708**	.654**	.632**	.610**	.518**	-.737**
F11	.696**	.572**	.510**	.632**	.616**	.645**	.558**	.638**	.596**	.410**	-.665**
F14	.540**	.547**	.551**	.438**	.486**	.430**	.454**	.420**	.484**	.470**	-.504**
F18	.634**	.575**	.504**	.464**	.587**	.591**	.482**	.584**	.377**	.374**	-.474**
F19	.679**	.665**	.570**	.521**	.694**	.674**	.608**	.659**	.481**	.448**	-.559**
F20	.706**	.610**	.540**	.501**	.639**	.617**	.614**	.615**	.485**	.485**	-.560**
F22	.804**	.746**	.678**	.753**	.734**	.807**	.701**	.721**	.680**	.512**	-.645**
F23	.842**	.762**	.613**	.724**	.690**	.751**	.670**	.759**	.672**	.434**	-.650**
F24	1.000	.766**	.655**	.713**	.760**	.794**	.730**	.758**	.679**	.468**	-.664**
F25	.766**	1.000	.691**	.684**	.721**	.712**	.702**	.706**	.641**	.517**	-.603**
F26	.655**	.691**	1.000	.569**	.772**	.600**	.698**	.578**	.662**	.709**	-.524**
F30	.713**	.684**	.569**	1.000	.656**	.783**	.603**	.710**	.599**	.346**	-.591**
F31	.760**	.721**	.772**	.656**	1.000	.746**	.808**	.686**	.609**	.554**	-.640**
F32	.794**	.712**	.600**	.783**	.746**	1.000	.677**	.780**	.630**	.438**	-.610**
F33	.730**	.702**	.698**	.603**	.808**	.677**	1.000	.634**	.630**	.506**	-.570**
F34	.758**	.706**	.578**	.710**	.686**	.780**	.634**	1.000	.661**	.365**	-.535**
F35	.679**	.641**	.662**	.599**	.609**	.630**	.630**	.661**	1.000	.476**	-.469**
F36	.468**	.517**	.709**	.346**	.554**	.438**	.506**	.365**	.476**	1.000	-.424**
TI	-.664**	-.603**	-.524**	-.591**	-.640**	-.610**	-.570**	-.535**	-.469**	-.424**	1.000

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

## Appendix 20: Path Analysis Result Comparison

	Path	Path Coefficients	t-value
XYZ Bakery	TF → OF	0.396	3.757
	TF → IF	0.056	0.780
	TF → TI	0.171	2.584
	OF → IF	0.780	18.618
	OF → TI	-0.483	3.526
	IF → TI	-0.336	2.541
ABC Café	TF → OF	0.715	8.009
	TF → IF	0.097	0.665
	TF → TI	0.106	0.627
	OF → IF	0.741	5.771
	OF → TI	-0.538	1.962
	IF → TI	-0.232	0.919
DEF Café	TF → OF	0.746	15.437
	TF → IF	-0.063	1.110
	TF → TI	-0.135	1.554
	OF → IF	0.951	21.298
	OF → TI	-0.002	0.011
	IF → TI	-0.706	5.090

## Appendix 21: $R^2$ Comparison

	OF	IF	TI
XYZ Bakery	0.156	0.647	0.529
ABC Café	0.512	0.662	0.445
DEF Café	0.556	0.819	0.642

## Appendix 22: Interviewee Demography

No.	Gender	Year of Birth	Education	Ethnicity	Marital Status	Hometown	Position	Job Contract	Length of Service (Month)
22	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Assistant baker	Full time	<i>n.a.</i>
23	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Barista		<i>n.a.</i>
24	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Assistant store manager	Full time	<i>n.a.</i>
25	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Barista	Part time	<i>n.a.</i>
26	Male	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Barista	Part time	<i>n.a.</i>
27	Male	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Barista	Part time	<i>n.a.</i>
28	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Supervisor	Part time	<i>n.a.</i>
29	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Sales staff	Part time	<i>n.a.</i>
30	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Sales staff	Part time	<i>n.a.</i>
31	Female	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Sales staff	Part time	<i>n.a.</i>
32	Male	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Sales staff	Part time	<i>n.a.</i>

## Appendix 23: Comparison Table

	Code	XYZ Bakery Merged Data	ABC Café	DEF Café
Job Performance	F9	-.512**	0.107	-.464**
Job Satisfaction	F10	-.678**	-.619**	-.737**
Intrinsic Motivation	F11	-.532**	-.310*	-.665**
Subjective Norms	F13	.490**	0.245	
Organizational Commitment	F14	-.588**	-.368*	-.504**
Relationship Quality	F18	-.369**	-.383**	-.474**
Coworker Emotional Support	F19	-.402**	-0.218	-.559**
Coworker Instrumental Support	F20	-.323**	-0.265	-.560**
Work Environment	F22	-.629**	-.482**	-.645**
Management Support	F23	-.584**	-.502**	-.650**
Communication	F24	-.623**	-.384**	-.664**
Culture / Socialization	F25	-.606**	-0.266	-.603**
Job Design / Flexibility	F26	-.464**	-0.138	-.524**
Job Security	F28	-.520**	-.456**	
Salary, Benefit, Incentive	F30	-.641**	-.453**	-.591**
Promotion, Development	F31	-.634**	-.380**	-.640**
Performance Appraisal	F32	-.634**	-.295*	-.610**
Training	F33	-.595**	-0.244	-.570**
Justice	F34	-.642**	-.355*	-.535**
Ethic	F35	-.558**	-.334*	-.469**
Customer Centeredness	F36	-.444**	0.022	-.424**

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

\**. Correlation is significant at the 0.05 level (2-tailed).*

## Appendix 24-1: XYZ Bakery demography

Among the respondents, 67.7% were female and 32.3% were male. The gender ratio is consistent with the population ratio in XYZ Bakery Vietnam (1:2, males to females). 67.7% of the respondents were under 25 years old and 27.6% were between age of 25 and 30. 95.3% were under 30 years old – only 4.7% were 31 years old or older. 84.3% of respondents were single and 12.5% of them were only married or in a domestic partnership.

### *Demography A*

<b>Gender</b>	<b>Response Count</b>	<b>Response Percent</b>
Female	86	67.7%
Male	41	32.3%
<b>Age</b>		
19-21	38	29.9%
22-24	48	37.8%
25-27	24	18.9%
28-30	11	8.7%
31-older	6	4.7%

### *Demography B*

<b>Relationship status</b>	<b>Response Count</b>	<b>Response Percent</b>
Single	107	84.3%
Married	12	9.4%
Widowed	1	0.8%
Divorced	2	1.6%
Separated	1	0.8%
In a domestic relationship or civil union	4	3.1%

32.3% of the respondents were from HCMC and the majority was from rural area (i.e. Ho Chi Minh City and Ha Noi – the two biggest cities in Vietnam, 37.8%). Since 87% of XYZ Bakery stores are located in HCMC, the number shows a quite number of employees came from other regions to work in HCMC.

The respondents were mostly homogenous race – Kinh (95.3%) and only 4.7% of them were Chinese-Vietnamese (Hoa). Vietnam consists of 54 ethnic groups and Kinh is a major

ethnicity (87% of population). Yet, Kinh dominates major cities as HCMC and Hanoi and the other 53 ethnic minorities – approximately 8 million people living in rural area. Thus, the response ratio of Kinh was reasonable to accept for further analysis.

#### *Demography C*

<b>Hometown</b>	<b>Response Count</b>	<b>Response Percent</b>
Ho Chi Minh city	41	32.3%
Ha Noi	7	5.5%
Ba Ria - Vung Tau	9	7.1%
Tay Ninh	4	3.1%
Binh Thuan	3	2.4%
Lam Dong	3	2.4%
Dong Nai	15	11.8%
Lao Cai	2	1.6%
Ben Tre	3	2.4%
Nghe An	2	1.6%
Vinh Long	4	3.1%
Dong Thap	3	2.4%
Ninh Thuan	2	1.6%
Dak Nong	2	1.6%
Ha Nam	2	1.6%
Nghe An	2	1.6%
Hai Duong	2	1.6%
An Giang	3	2.4%
Binh Phuoc	2	1.6%
Other	16	12.6%
<b>Race</b>		
Kinh	121	95.3%
Hoa	6	4.7%

96.9% of the respondents at least finished high school diploma, and 33.1% studied in college / vocational school after high school. 29.1% of them got bachelor's degree or higher. The majority (57.5%) worked in the company for less than 1 year and only 22.8% of them worked longer than 2 years in the company.

57.5% of the respondents were from sales team and 36.1% were from production (kitchen) team. In particular, 30.7% and 24.4% were Sales and Assistant Baker while 11.0% and

10.2% were Store Manager and Sales Shift Leader, respectively. Most of the respondent worked on Flexible Shift.

***Demography D***

<b>Education level</b>	<b>Response Count</b>	<b>Response Percent</b>
Secondary school	4	3.1%
High school/ vocational high school	44	34.6%
College diploma/ Vocational college diploma	42	33.1%
Undergraduate degree	36	28.3%
Post graduate	1	0.8%
<b>Length of service</b>		
Less than 6 months	41	32.3%
6 months - 1 year	32	25.2%
1 - 2 years	25	19.7%
longer than 2 years	29	22.8%

***Demography E***

<b>Job role</b>	<b>Response Count</b>	<b>Response Percent</b>
Shift leader - kitchen	8	6.3%
Assistant baker	31	24.4%
Sales	39	30.7%
Store Manager	14	11.0%
Shift leader - sales	13	10.2%
Head of kitchen	5	3.9%
Accountant	2	1.6%
Part-time sales	12	9.4%
Assistant baker - Cake	1	0.8%
Baker	1	0.8%
Packing	1	0.8%



*Demography F*

<b>Team</b>	<b>Response Count</b>	<b>Response Percent</b>
Kitchen	44	36.1%
Sales	78	63.9%
<b>Shift</b>		
Morning	36	28.3%
Night	4	3.1%
Flexible	87	68.5%

## Appendix 24-2: ABC Café Demography

### *Demography*

Among the respondents, 61.7% were female and 38.3% were male. The gender ratio is consistent with the population ratio in ABC Café Vietnam and XYZ Bakery Vietnam (1:2, males to females). 80.9% of the respondents were under 25 years old and 12.8% were between age of 25 and 30. 97.9% were under 30 years old – only 2.1% were 31 years old or older. The overall age distribution showed the staffs in ABC Café is younger than XYZ Bakery. 93.6% of respondents were single and 4.3% of them were only married. Accordingly, the respondents from ABC Café consisted of more singles compared to XYZ Bakery.

### *Demography A*

<b>Gender</b>	<b>Response Count</b>	<b>Response Percent</b>
Female	29	61.7%
Male	18	38.3%
<b>Age</b>		
19-21	24	51.1%
22-24	14	29.8%
25-27	6	12.8%
28-30	2	4.3%
31-older	1	2.1%

### *Demography B*

<b>Relationship status</b>	<b>Response Count</b>	<b>Response Percent</b>
Single	44	93.6%
Married	2	4.3%
Widowed	0	0.0%
Divorced	1	2.1%
Separated	0	0.0%
In a domestic relationship or civil union	0	0.0%

51.1% of the respondents were from HCMC. At the moment, there were 16 ABC Café branches in Vietnam and 11 of them are located in HCMC. The current study only conducted

based on the 11 stores in HCMC. In other words, 48.9% of the respondents were immigrants from rural area. to HCMC.

The respondents were mostly homogenous race – Kinh (95.7%). Vietnam consists of 54 ethnic groups and Kinh is a major ethnicity (87% of population). This number was consistent with XYZ Bakery.

#### *Demography C*

<b>Hometown</b>	<b>Response Count</b>	<b>Response Percent</b>
Ho Chi Minh city	24	51.1%
Long An	2	4.3%
Ba Ria - Vung Tau	3	6.4%
Tien Giang	3	6.4%
Thai Binh	2	4.3%
Dak Lak	2	4.3%
Other	11	23.4%
<b>Race</b>		
Kinh	45	95.7%
Tay	1	2.1%
Thai	1	2.1%

All respondents at least finished high school diploma, and 21.3% studied in college / vocational school after high school. 57.4% of them got bachelor's degree or higher. The majority (46.8%) worked in the company for less than 1 year and only 23.4% of them worked longer than 2 years in the company.

63.8% were part-time staffs while 17.0% and 8.5% were Team Leader and Store Manager, respectively. Most of the respondent (97.9%) worked on Flexible Shift. Compared to XYZ bakery, the respondents were more educated and currently studying in college / university for part-time.

*Demography D*

<b>Education level</b>	<b>Response Count</b>	<b>Response Percent</b>
Secondary school	0	0.0%
High school/ vocational high school	10	21.3%
College diploma/ Vocational college diploma	10	21.3%
Undergraduate degree	27	57.4%
Post graduate	0	0.0%
<b>Length of service</b>		
Less than 6 months	13	27.7%
6 months - 1 year	9	19.1%
1 - 2 years	14	29.8%
longer than 2 years	11	23.4%

*Demography E*

<b>Job role</b>	<b>Response Count</b>	<b>Response Percent</b>
Store manager	4	8.5%
Assistant Store Manager	1	2.1%
Assistant	0	0.0%
Supervisor	1	2.1%
Team leader	8	17.0%
Full time staff	3	6.4%
Part time staff	30	63.8%

*Demography F*

<b>Shift</b>	<b>Response Count</b>	<b>Response Percent</b>
Morning	0	0.0%
Afternoon	0	0.0%
Night	1	2.1%
Flexible	46	97.9%

## Appendix 24-3: DEF Café Demography

### Demography

In the annual report, only three basic information were collected including age, length of service and role / position. According to the report, 78.9% of the respondents were under 26 years old and 17.8% were between age of 26 and 30. Only 3.3% were 31 years old or older. the 49.1% of the staffs worked in the company for less than 1 year and 50.9% of them worked longer than 1 year in the company. 24.9 % of them worked longer than 2 years. The majority of the respondents (63.5%) were barista and 24.3% were Shift Supervisor and 12.1% were Store Manager or Assistant Store Manager.

To compared with XYZ Bakery and ABC Café, the overall respondents in DEF Café were younger and had longer length of service.

#### *Demography A*

Age	Response Count	Response Percent
Less than 20 years old	18	10.0%
20 to 25 years old	124	68.9%
26 to 30 years old	32	17.8%
31 to 40 years old	6	3.3%

#### *Demography B*

Length of service	Response Count	Response Percent
3 months to less than half a year	37	20.4%
Half a year to less than 1 year	52	28.7%
1 to less than 2 years	47	26.0%
2 to less than 4 years	43	23.8%
4 to less than 6 years	2	1.1%

#### *Demography C*

Job role	Response Count	Response Percent
Store Manager	20	11.0%
Assistant Store Manager	2	1.1%
Shift Supervisor	44	24.3%
Barista	115	63.5%

## Appendix 25: Merged Data Correlations Table

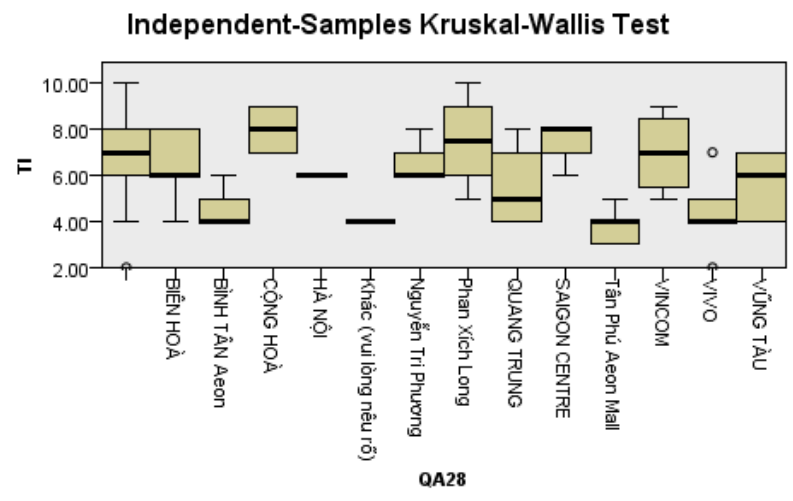
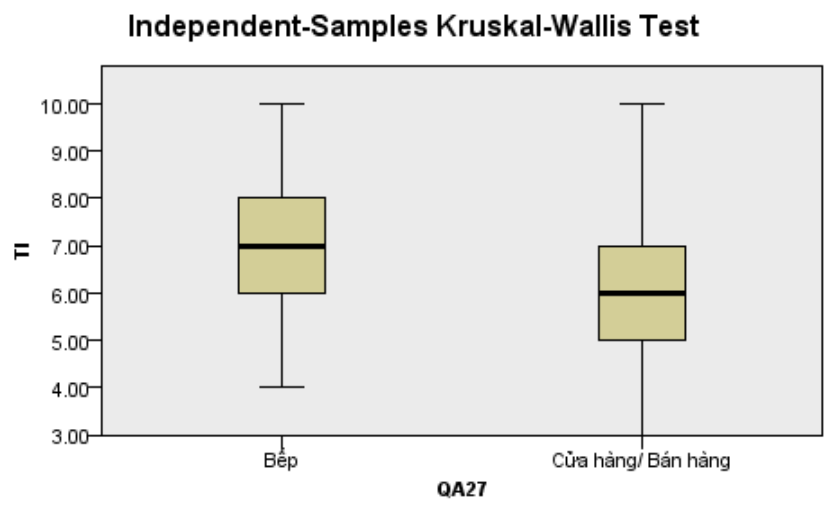
	F24	F25	F26	F28	F30	F31	F32	F33	F34	F35	F36	TI
<b>F9</b>	.415**	.608**	.493**	.183*	.506**	.695**	.665**	.620**	.532**	.500**	.460**	-.512**
<b>F10</b>	.645**	.594**	.563**	.518**	.671**	.650**	.620**	.593**	.647**	.600**	.483**	-.678**
<b>F11</b>	.558**	.404**	.438**	.319**	.484**	.404**	.434**	.396**	.504**	.510**	.345**	-.532**
<b>F13</b>	-.377**	-.353**	-.088	-.436**	-.444**	-.337**	-.306**	-.311**	-.402**	-.393**	-.298**	.490**
<b>F14</b>	.580**	.633**	.550**	.519**	.588**	.668**	.653**	.647**	.619**	.641**	.569**	-.588**
<b>F18</b>	.513**	.376**	.415**	.369**	.360**	.330**	.352**	.300**	.422**	.343**	.308**	-.369**
<b>F19</b>	.423**	.368**	.383**	.161*	.342**	.384**	.387**	.347**	.430**	.384**	.298**	-.402**
<b>F20</b>	.407**	.277**	.327**	0.139	.293**	.266**	.282**	.291**	.354**	.325**	.299**	-.323**
<b>F22</b>	.680**	.641**	.599**	.506**	.679**	.630**	.653**	.646**	.699**	.674**	.531**	-.629**
<b>F23</b>	.768**	.576**	.535**	.560**	.592**	.500**	.522**	.504**	.667**	.603**	.426**	-.584**
<b>F24</b>	1.000	.658**	.569**	.590**	.665**	.620**	.628**	.621**	.736**	.675**	.530**	-.623**
<b>F25</b>	.658**	1.000	.568**	.429**	.668**	.789**	.798**	.749**	.733**	.643**	.560**	-.606**
<b>F26</b>	.569**	.568**	1.000	.328**	.484**	.591**	.528**	.573**	.560**	.635**	.627**	-.464**
<b>F28</b>	.590**	.429**	.328**	1.000	.531**	.545**	.483**	.491**	.628**	.588**	.462**	-.520**
<b>F30</b>	.665**	.668**	.484**	.531**	1.000	.684**	.739**	.660**	.740**	.638**	.439**	-.641**
<b>F31</b>	.620**	.789**	.591**	.545**	.684**	1.000	.887**	.861**	.747**	.662**	.561**	-.634**
<b>F32</b>	.628**	.798**	.528**	.483**	.739**	.887**	1.000	.824**	.772**	.656**	.508**	-.634**
<b>F33</b>	.621**	.749**	.573**	.491**	.660**	.861**	.824**	1.000	.712**	.677**	.615**	-.595**
<b>F34</b>	.736**	.733**	.560**	.628**	.740**	.747**	.772**	.712**	1.000	.736**	.527**	-.642**
<b>F35</b>	.675**	.643**	.635**	.588**	.638**	.662**	.656**	.677**	.736**	1.000	.594**	-.558**
<b>F36</b>	.530**	.560**	.627**	.462**	.439**	.561**	.508**	.615**	.527**	.594**	1.000	-.444**
<b>TI</b>	-.623**	-.606**	-.464**	-.520**	-.641**	-.634**	-.634**	-.595**	-.642**	-.558**	-.444**	1.000

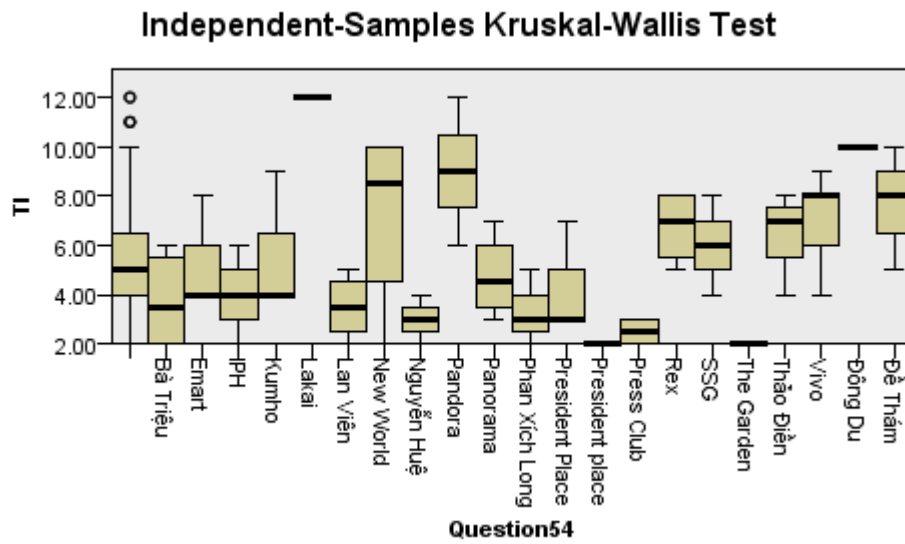
\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

Appendix 26: Kruskal Wallis H Test

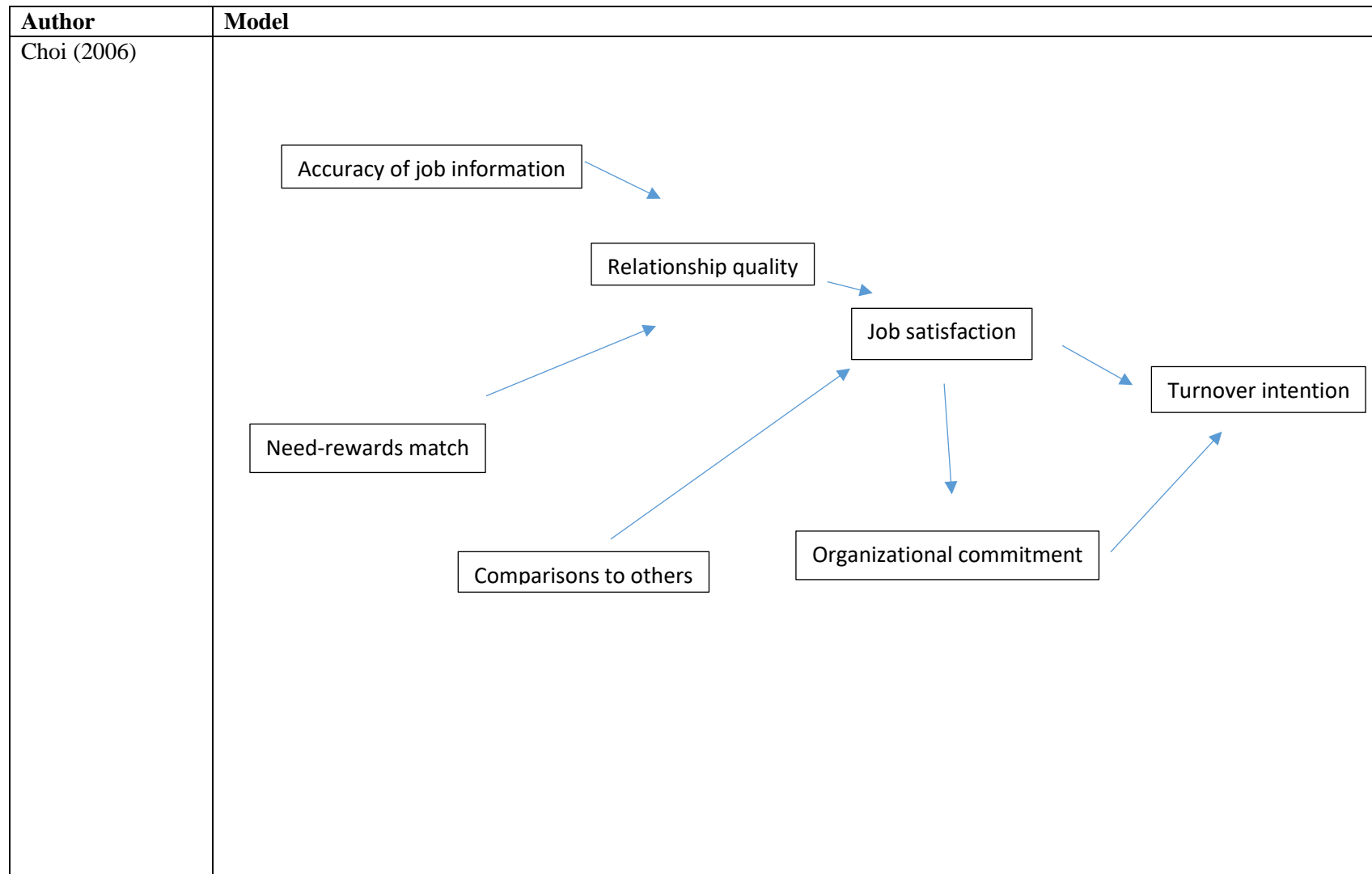
XYZ Bakery



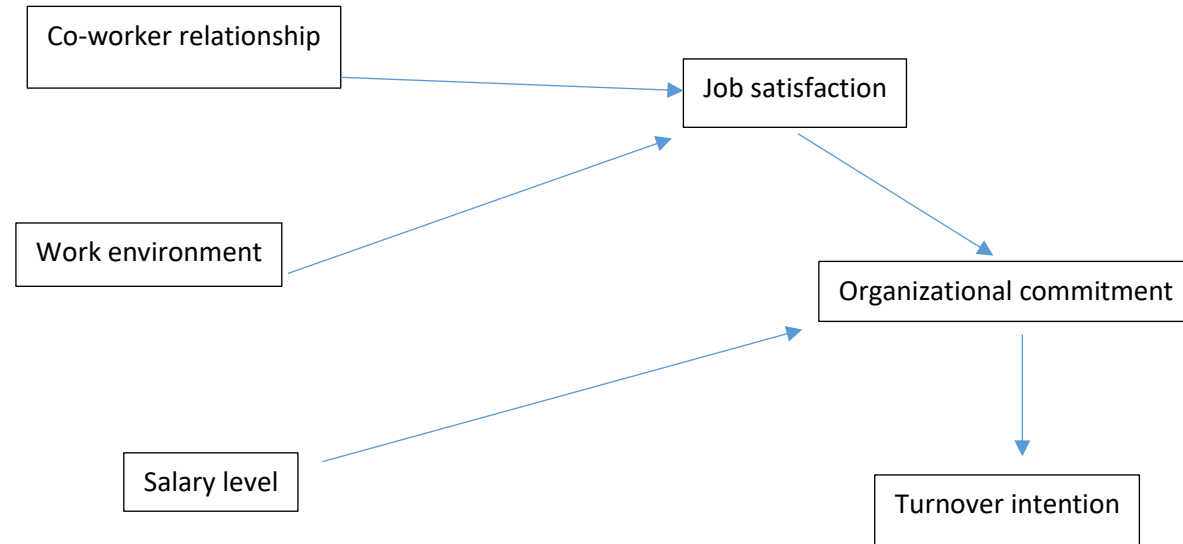




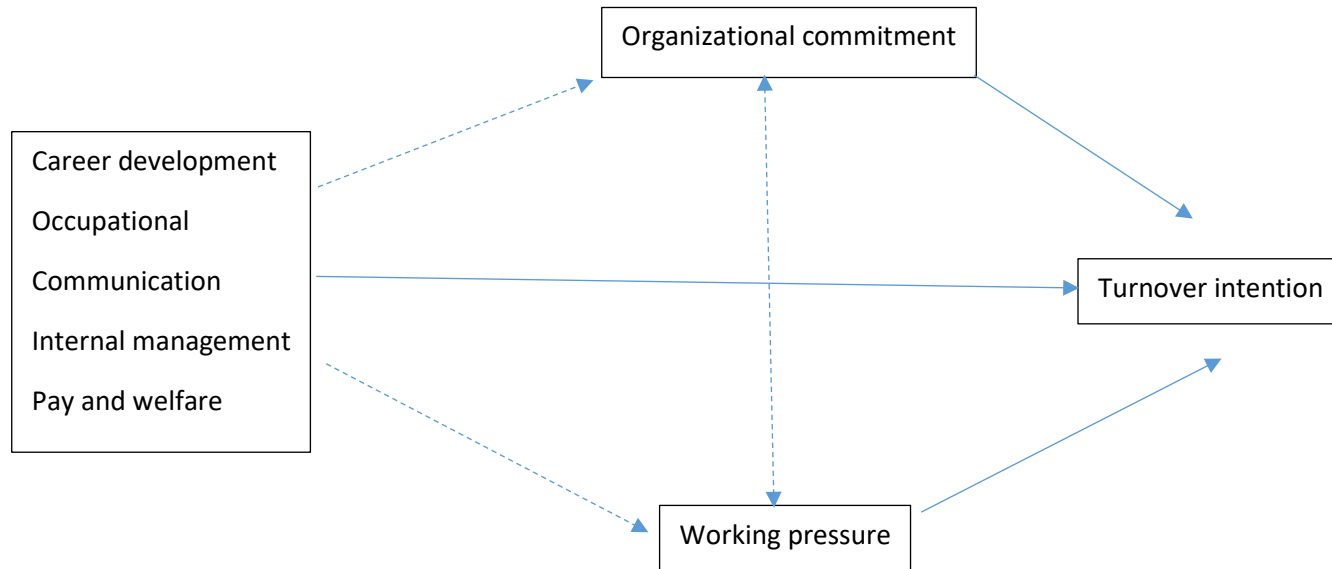
## Appendix 27: Employee Turnover Models in Hospitality Literature



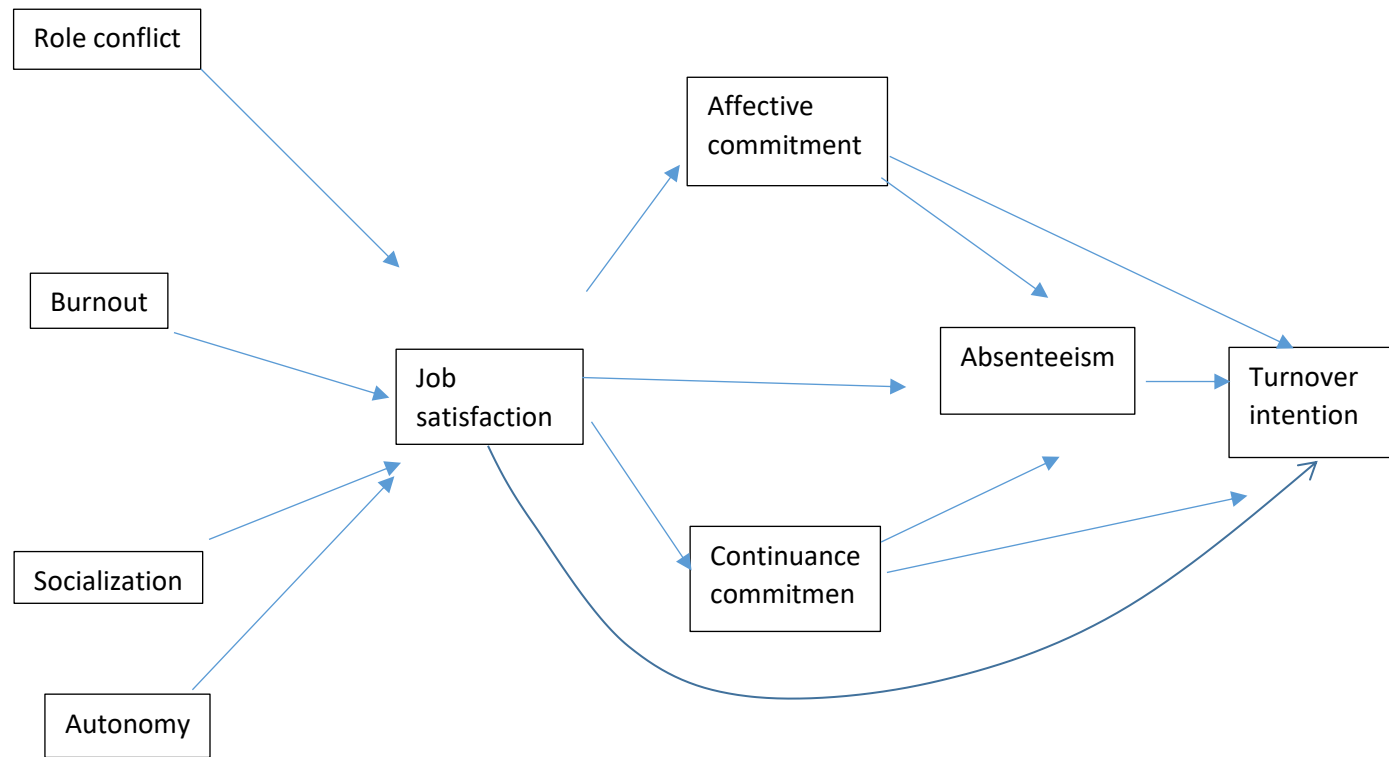
Lee et al. (2012)



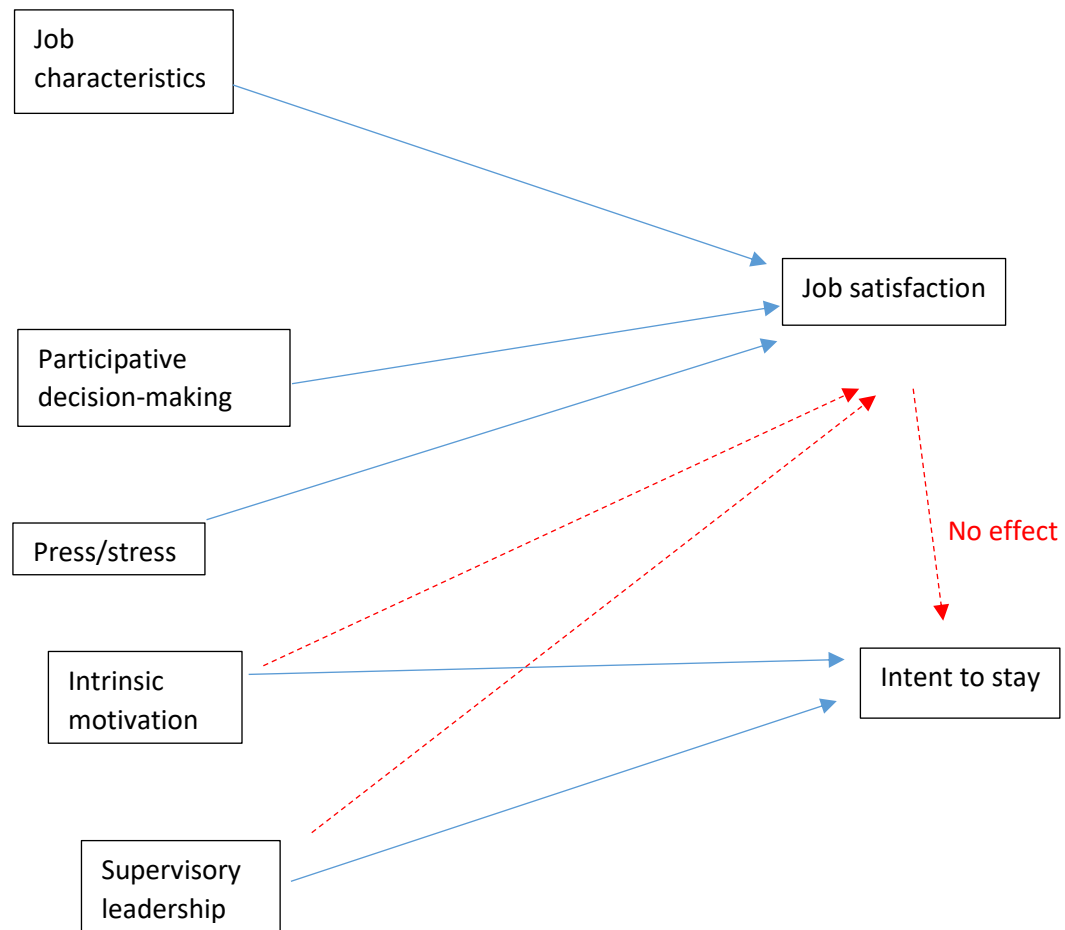
Wang (2010)



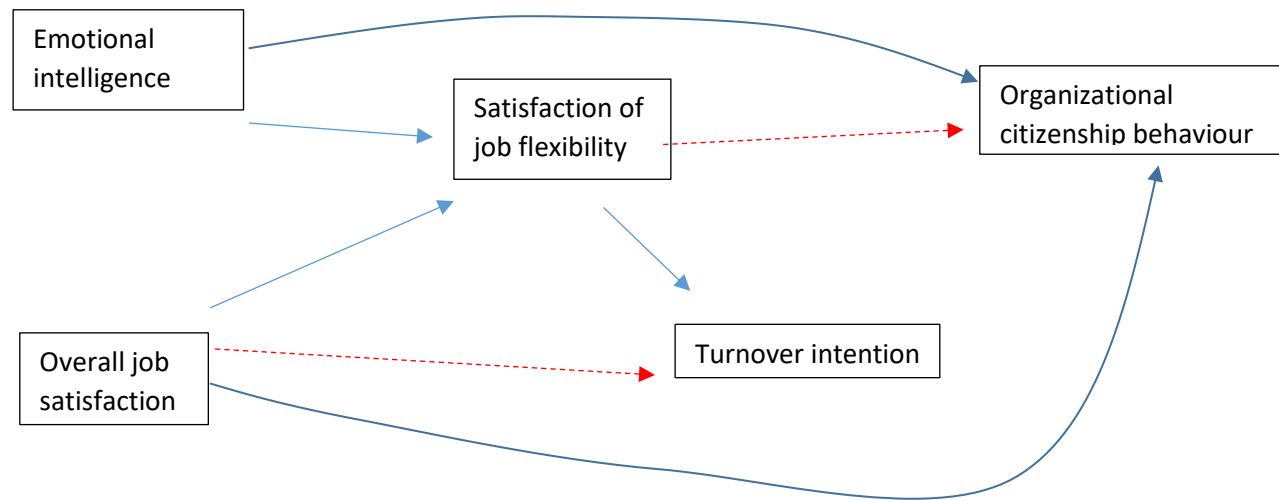
Yang (2010)



Kim and  
Jogaratnam (2010)



Lee et al. (2011)



(Iverson and  
Deery, 1997)

